•'रामहि केवल प्रेमु पिआरा'•

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# ECONOMICS IN KAUṬILYA

BY

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to whom the ancient wisdom of India was an active source of inspiration for his great contributions to the development of literature and the cause of social progress at a turning-point in her history.

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# FOREWORD

It is with great pleasure that I introduce Dr Benoy Chandra Sen s Economics in Kauṭilya which is the latest publication in our Research Series The author is one of our front-rank historians who after nearly 36 years of distinguished service in the Post graduate Department of Calcutta University joined this College as the first Professor of Indology in its department of Post-graduate Training and Research towards the end of 1962 Dr Sen has brought to bear upon his study of Kautilya a fresh outlook which for its originality fully justifies the appearance of this new book even though a vast literature has accumulated round the Arthaśāstra since the publication more than half a century ago of the text from Mysore which created a great impression all over the scholarly world as a mine of information regarding the culture and civilisation of ancient India Although much has been said and written about Kauṭilya and his Arthaśāstra over the years there are still many problems connected with the subject on which perhaps it may not be safe to pronounce any definite opinion yet New materials are still forthcoming and further research is in progress which may ultimately throw fresh light on the interpretation of many doubtful passage of the text and the question of its authorship

Dr Sen who has studied the Kauṭilya Arthaśāstra for many years with great ability and critical acumen gives the results of his mature judgement in this book which in each of its 14 chapters shows a rare approach in its mastery over details and insight into the pragmatic foundations of the economy revealed in the text It is a matter of gratification to us that our institution is not lagging behind other centres of Indological

research in its appreciation of the importance attached to the study of Kautilya to which the present publication is an authentic testimony Dr Sen widely known for his quiet and unostentatious learning has indeed opened a strikingly original and promising line of investigation in the field of the economic history and thinking of ancient India which I am confident, is sure to stimulate further research in this and other allied subjects

Sanskrit College
Calcutta
June 7 1968

K C Shastri
*Principal and General Editor*

# PREFACE

This book has a history which may be told briefly at the outset. An occasion, which required me to cultivate the Arthaśāstra of Kautilya, arose in 1926 when I was engaged in examining some of the sources of ancient tradition with special reference to the Jātakas. I turned to it again in 1932 when I was doing Ph. D. in London. At the annual session of the Indian History Congress, held in Calcutta in 1939, I read a paper on early administration in Bengal, in which I tried to show *inter alia* that, due to the speculative element present in the Arthaśāstra, its use for historical purposes could at best be limited and conditional. A few years later, being requested to teach socio economic history in Calcutta University's Post-Graduate Department of Ancient Indian History and Culture by its Head, the late Dr. Hem Chandra Raychaudhuri, I started preparing lecture-notes on the subject, which were to be based, according to the requirements of the syllabus, on certain portions of the texts of Kautilya, Manu and Yājñavalkya. I took up Kautilya first in pursuance of this specialised course of study, but instead of confining my attention to the prescribed chapters I felt persuaded to extend the range of my interest by bringing the whole text within the purview of my investigation. The standpoint from which Kautilya has been studied and interpreted in the following pages evolved at this time, and my research in the field was substantially completed by about 1947 when the amplified and expanded notes were systematised into a book form. This was followed by a monograph, which I prepared in continuation of the same line of research, on economics in Manu Thereafter I began to take notes from Yājñavalkya to write my third book in the projected series, my object being ultimately to produce a comprehensive and integrated volume on phases of economic development in ancient India on the basis of my study of Kautilya, Manu and Yājñavalkya completed in three separate works. At this stage, I incidently spoke about my work on Kautilya to some of my friends and colleagues who pressed me for its early publication At their suggestion I contacted a certain University Press but was told with regret that, due to heavy administrative commitments, it would not be possible for it to take up my book for years to come. After this I did

not feel encouraged to pursue the matter any further. In 1950 I had to be away from India for several months. After I returned, my attention gradually drifted to other avenues of research. The decision of the Government Sanskrit College, Calcutta, where I took up my present assignment towards the end of 1962, to publish the work in its well-known Research Series, was indeed a matter of pride and satisfaction for me. But it was not an easy task, however, to make my manuscript ready for Press within a short time, as it needed a thorough revision from beginning to end. On a restudy of Kautilya, I now came across many passages in the text which had been previously missed. New lines of inquiry also suggested themselves to me as the revision work proceeded. Ultimately several new chapters were added to those of the existing ones which I selected for incorporation in the present volume after they had been completely recast or rewritten. I, however, saw no reason for any essential modification of my earlier outlook or standpoint which remained unchanged, gaining further confirmation from my reassessment of the textual matter, in the light of which some portions of the earlier work had to be excluded being considered extraneous to the basic problems stressed in the revised study. During the period of five years or so that the book had been in the Press, I kept myself occupied with an almost continuous effort to improve my understanding and exposition of Kautilya, and was permitted to introduce additions and alterations even up to the very final stage in the course of its printing.

An attempt has been made in this book to bring together, for purposes of an analytical study matters of economic content, distributed in various chapters of the Arthaśāstra in different contexts The name Kautilya (or Kautalya, which the commentary Jayamangalā derives from the gotra name Kutala), has been adopted in this work for its current use without bias for any theory connected either with the identity of the author of the text or with any problem relating to the Chānakya-Vishnugupta-Kautilya complex. All controversies regarding the date and authorship of the Arthaśāstra have been deliberately precluded from the scope of the present work. My plan on the other hand has been to devote myself to a close examination of the rules and regulations of the Kautaliya Arthaśāstra, exhibiting the practical

aspects of wealth in its diverse forms and types, including the economic bases and effects of the legal provisions comprised in it. The view expressed in the Jayamangalā that the Arthaśāstra, as a branch of learning, is specifically related to wealth which is the means of subsistence of the inhabited earth, seems to emphasise truly the importance of its chapters on economic topics in its system of polity (*Arthaśāstrānīti artho yena loko vartate tadarthaṁ śāstramiti. .'tasyā manushya-vatyā bhumeh prithivyāh ..'*) In fact we can get at the core of the Arthaśāstra if we succeed in understanding the complexities of its structure of economic planning and system of distribution of wealth. While Kautilya gives his economic materials scattered in separate books and chapters, often mixed up with the niceties of his administrative machinery, this method has not been rigidly followed in my classification, which, wherever possible, brings together data, bearing exclusively on different economic topics and the deductions to be drawn from them, for being conveniently studied from a common angle in the context of a norm of central import The results, thus obtained, have been treated, independently of their connection with problems relating to the date of the Arthasāstra or its supposed historical associations. The question whether the work is to be attributed to the 4th or 3rd century B C, or the 2nd or 3rd century A D. or even to a later date still remains more or less confused and uncertain. Any theory about its date to be found acceptable will no doubt have to accommodate itself to what may be regarded as a detailed and satisfactory appreciation of the elements composing the formulations attributed to Kautilya and their economic implications, as supported by the results of an analytical study. The greater the accuracy of a study conducted on these lines, the more is its usefulness in providing effective indications, judged from a comparative standpoint, of its place in chronological history in the evolving pattern of its economic life and concepts. A correct analysis may be helpful also in dealing with the question of the integrity of the text and that of any possible interpolation or intrusion of adventitious matter, corrupting the mainstream. The advantages of this kind of investigation appeared to me to be so clear and palpable that I felt tempted to prefer it to a merely formal compilation of the rules and provisions of Kautilya, which alone is not sufficient to suggest a

standard for examining the nature and extent of his positive contribution to economic history.

From what Kautilya says about his object in composing the Arthaśāstra and his methodology, it is to be concluded that the data contained in it were first selected by him in a manner, that suited his express purpose, from various sources including the Śāstras and their commentaries (*Pūrvamatāni yathedaṁ sangrihyaikaṁ chakāra Kautalyah Tikāntarani drishtvā sadvyākhyānaṁ samuddhritya*—Jayamangalā-Balahitā finally reoriented by a discerning and constructive mind and presented in the available text The finality with which the regulations, laid down in the text are stated, leaves the background of prior reasoning in many instances almost in the dark, which may lead to the impression that an existing model was made the basis of its discussions and speculations. Current economic order, circumstances and problems were surely very real for Kautilya and had a living interest for him But the base of his study and investigation was much wider It has been my experience that conditions governing each item in the code of his regulations must be analysed and explored in order to be able to appreciate his grasp over the technicalities of his science and his contribution in his rôle as an economic planner.

It has been my endeavour to trace, in the first place, the course of concrete thinking behind the regulations and provisions embodied in the text, and secondly, to draw reasonable inferences, steering clear of all doctrinaire interpretations regarding their scope that may be presumed to have been related to historical realities In the matter of textual interpretation I have taken all possible help from the published Sanskrit commentaries and several standard editions of the text and other well known authoritative works on the subject, briefly referred to in the introductory paragraph of the 'Notes' and the 'Addenda and Corrigenda' In some instances where I found myself unable to accept any of the current views, I ventured to offer suggestions of my own for what they are worth in an entirely non controversial garb I must frankly admit that it would not have been possible for me to complete even this limited study of Kautilya without the guidance of my predecessors in the field for which I owe

a debt of inestimable gratitude to them. Unfortunately, I have not been able to utilise, to my satisfaction, the Russian translation of the Arthaśāstra, as it was not available to me until the greater part of the book had been printed To students of Kautilya it is not unknown that, owing to the terseness of his style, which is not unoften carried to an extreme, and his copious use of obscure or obsolete expressions, the interpretation of his text, in spite of the labours of many scholars, has not yet passed beyond the hypothetical and problematic stage. Perhaps even the restoration of the original text is a finality which has yet to be achieved. The discovery of the rare Patan Bhandar folios has led to the hope that further manuscript material of this type may be found in future, in the light of which the extant text may perhaps be materially improved with an extended field for collation

I shall deem my labour amply rewarded if in spite of many apparent defects and limitations of this work, my approach to the subject is found to serve any useful purpose in the evaluation of the materials derivable from Kautilya. In this connection, I feel it is necessary to add that I have refrained from attributing any view or statement to Kauṭilya, which he does not definitely claim as his own, and have employed the term 'economics' in a broad sense In giving extracts from Kautilya in the 'Notes', I have consulted the different standard editions of the text, recording variant readings in most cases.

It is my pleasant duty to express my sincere gratefulness to Dr. Gaurinath Sastri, former Principal of the Government Sanskrit College, Calcutta, and his successor-in-office Sri Kalicharan Sastri for their keen interest in my work and for their eagerness to expedite its publication. To Dr Sisir Kumar Mitra I am thankful for his help in proof correction, to Dr (Miss) Puspa Niyogi for the Index and to Sri Namigopal Tarkatirtha, editor of the Publication Branch, of the college, for his co operative spirit To Sri Durgadas Mukherjee Reader, Calcutta University, and Dr Jitendranath Mohanti, Professor and Head of the Department of Philosophy, Burdwan University, I am indebted for some suggestions in regard to a few references.

In conclusion, I humbly apologise to my readers for the typegraphical and other errors which occur in the book. Their number is irritatingly large. The'Addenda and Corrigenda', includes a few corrections.

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June 7, 1968.

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# CHAPTER I

## *A General Review*

As is well known, the object of the Arthaśāstra of Kautilya is to prepare an insrtuctive thesis on the art and technique of government for the benefit of an aggressively disposed monarchy with its economic basis treated as an integral part of his statecraft and system of social relations The manner of its specialisation in political economy gives it a stamp of individuality, of belonging to a distinct branch of thought and learning Kautilya's choice of the territory of his ideal paramount sovereign is not dictated by any special religious or racial bias, such as is found in some canonical texts comprised in the Dharamaśāstra, but by purely political and economic considerations which leave no room for doubt as to the practical nature of his estimate of the influence of geography on the formation of a strong and prosperous state The territory, of course, is to be situated in *Brahmanised* surroundings, provided it is endowed with abundant material reasources to give it a sound economic basis, and also such physical features as can enable its ruler to secure strategic advantages over his enemies in the expansion of his political power. He is satisfied that such resources are to be found in the region[1] extending over a thousand *yojanas* from the Himalayas in the north to the ocean (in the south) where with 'such varieties of land as forests, villages, mountains, etc' he should engage in activities tending to the development of his power, where there are places suitable for the manoeuvring of his troops to the disadvantage of those who are hostile to him The true wealth of a country (*janapada sampat*) consists in its untapped material resources, which are to be developed to the utmost degree in the spheres of agriculture, industry and trade The idea of regional sanctity, supported in the sacred literature of the Brāhmanas, has evidently little constructive influence upon Kautilya in the determination of the greatness of a country, which is judged by him as a more or less political issue In this respect may be noted the divergence of his way of thinking from the stand-point adopted in

the Dharmasūtra of Baudhāyana[3] which expresses a view that is obviously not quite friendly to certain territories, such as Avanti, Anga, Magadha, Surāshtra, Dakshināpatha, Sindhu and Sauvīra, whose peoples are said to be of 'mixed origin', and in which an injunction is laid down, which is demonstrably harsh to Pundra, Sauvīra, Anga Vanga, Kalinga, etc., making a visit to any one of these lands punishable as a sinful act In the Mānava Dharmaśāstra[4] also the regions where Vedic culture is said to have extended and developed receive their customary honour But Kautilya's policy is not one of segregation, or isolationism, dividing one territory from another on orthodox grounds but, predominantly, of expansion which can succeed only through broad and intimate contacts with the outside world, diplomatic and commercial, and he does not know any region with which intercourse is to be banned in the manner and for reasons stated by some authoritative exponents of Vedic law and custom. Baudhāyana, as mentioned already attaches a stigma to Dakshināpatha, but Kautilya wants a vigorous relation to be maintained with this condemned land on economic grounds preferring the land-routes leading to the South rather than those connected with the Himalayas. [In this connection it is argued that though blankets, skins and horses are available in the northern region the South being rich in commodities, considered to be more valuable (from the point of view of the Kautilyan economy), such as conch shells diamonds precious stones pearls and gold, a preferential treatment is to be accorded to Dakshināpatha[5]] Again, in a controversy connected with the foundation of new settlements, Kautilya takes up the utilitarian stand point that a colony, inhabited by the 'lowest caste,' is more *promising than one formed with the four* castes (including the Brāhmanas) on grounds of that community's numerical plentifulness and stable serviceability[6] He not only approves but also for a practical reason specially appreciates the employment of Sūdras in the Army.[7]

In times of emergency the scope of extraordinary taxation is widened to an extent that may appear to be unscrupulous, but this may be justified on the ground that a grave situation calls for drastic remedies The accepted moral code, whose provisions have been

laid down in Kautilya in the matter of the fixation of the items of revenue and their collection, is to be operative when there is no special urgency for exceeding the limits prescribed, but this is not allowed to interfere with the stern necessity of securing additional funds by means, fair or foul, to save the State from a financial crisis. Similarly, no moral scruple is felt in organizing liquor traffic, keeping it within prescribed limits, so as to make it a durable and respectable source of income for the State. The king, moreover, has a share of the animals, brought to the slaughter house, which flourishes as a normal feature of the country's economy.[8]

Whether one likes it or not, slavery in some form or other may exist in a society as a historical and economic necessity. It may also be modified or abolished in course of time, due to a decided variation in the trend and direction of the economy which at one time nourished it. It is remarkable that Kautilya's rule against enslavement under certain conditions applies to *Āryas*[9] as well as to Śūdras or some sections of them. This shows that he is placing the latter on the same footing as the former within the range of the rule applying to cases where persons are not permitted to be made slaves against their will—a sure indication of the rise of the Śūdras in the social scale and the appreciation of their ability to contribute to economic progress by free choice of their permissible occupations The gap, created by the release of the Śūdras from the enforced obligation of servitude, is probably to be filled by the employment of *Mlechchhas* as slaves, which Kautilya does not forbid. It is noteworthy that the status of slaves has been considered by Kautilya on a strikingly liberal and comprehensive basis A slave is declared to have a right to own property and to be set free under certain circumstances. The Kautilīya Arthaśāstra does not grant the same degree of immunity to Brāhmanas as they claim for themselves in canonical texts. The rule is laid down that if a Brāhmana is found guilty of a treasonable act or conspiracy, he is to suffer the extreme penalty like others committing the same offence, with this difference that in his case death will be by drowning[10] A rumour, wilfully spread by the king to the

effect that he is engaged in an intrigue to kill Brāhmanas and destroy their culture, *must not make them restless.*

A classified enumeration of various taxes and taxable objects includes the term *Āyamukha* which is applied to the group comprising *Mūla, Bhāga, Vyāji, Parigha, Klrpta* and *Rūpika.* Collections in their aggregate constitute what is called *Āyaśarīra* or the Body of Income, as distinguished from the items of expenditure under various heads, which are collectively categorised as the *Vyayaśarīra*[11] or the Body of Costs or Expenses But the attribution of a physiognomical complex in a figurative sense to Income and Expenditure remains merely as an idea, unaccompanied by the details of a fully worked out theory. In the preparation of accounts the heads of income are to be shown as differentiated from those of expenditure. From what is said about the level of difference to be maintained generally between the totality of income and the totality of expenditure, it may be supposed that the physiognomical concept suggests a fundamental principle of financial management, which is to operate to preserve such a relation between the two Bodies that the one of Income may not grow in bulk beyond all reasonable proportions by starving the other Body which, again, in its turn is not to be allowed to draw more upon the Income-Body than what is required for its proper sustenance. It may be that the idea of income and expenditure, each having a 'body' of its own, perhaps represents the procedure *followed in keeping accounts,* those relating to receipts bing embodied in the form of a *corpus,* as distinct from disbursements, similarly recorded in a separate compilation. Apart from any theory, what is urged as a practical maxim is that expenditure should on no account exceed income. Neither income should be unlawfully inflated, nor should there be an attempt to curtail necessary expenditure, which ultimately blocks the way of financial expansion Much skill is needed to adjust income to expenditure under conditions insisting upon economisation and stepping up of finances with an equal sense of urgency as two primary co-existent needs. If an officer doubles the amount due to the king he is to be punished on a charge of "eating into the vitality of the country".[12] It seems that the collection,

referred to in this context, comprises the different taxes and other charges to be levied at their usual rates, but not the profits which the State may make by trade and industry undertaken on its own account The idea that overtaxation may lead to the impoverishment of the people and the consequent reduction of their tax paying capacity is sufficiently appreciated [13] This clearly shows that the State does not want to increase its wealth by taking from the people more than what it is entitled to in normal circumstances. A system of classification of accounts[14] is advocated, in which each of the following is to be shown clearly under a separate schedule *Karaniya Siddha Sesha*, *Āya Vyaya* and *Nivi* Collections are also to be placed under different heads such as *vartamāna* (current), *paryushita* ('last balance') and *anyajāta* (accidental) The last named collection is by its very nature uncertain and casual, as the amounts of dues and the occasions of their realisation in this category depend on the occurrence of related circumstances the sources of income being fines to be paid by offending government officers margin tax, presentations to the king treasure troves properties of sonless people killed in riots, dues, 'lost and forgotten' (received unexpectedly for credit?) etc [15] What remains after all the expenses have been met is called *nivi* which is finally estimated after a complete determination of income and expenditure Expenditure in this context has been classed under two heads (1) daily expenditure and (2) profit yielding expenditure (*divasanuvritto nityah* and *labhotpadika iti vyayah*) Profit is here referred to as one that accumulates in a fortnight a month or a year To determine whether an undertaking by the State has proved profitable, it is necessary to take into account the value of the production as compared with the cost, which is calculated on the basis of wages paid to the workmen employed the number of days taken in reaching the output and the *mula* (capital?) used in the process The reference to time as a factor in calculating gains or losses in a business shows that the objective is not merely to prepare a technically complete record but also to ascertain whether the work produced is commensurate with the duration of the labour, devoted to it and also to attain a precision of judgment in the case under consideration in regard to the relation of woking hours to the

current wage structure *Mūla*, which is separately mentioned in this connexion, probably denotes the investment made in the shape of the material useed in the business or its cost, apart from the other expenses such as wages paid to the labourers, etc. Labour is shown to have a definite economic value which is to be fully realised in terms of profit If the expected profit is in default, the labour of the workmen involved is said to be 'eaten up'[16] The State has an experienced staff capable of drawing up estimates of the expenditure required in running a business under its management and supervision The principle is firmly laid down that no attempt should be made to curtail the estimated cost as it may render the undertaking unprofitable or less profitable than expected Although the procedure to be adopted in framing estimates is not shown in detail yet from the data furnished regarding the manner of the settlement of prices of commodities, the use of standard weights and measures which is strictly enforced, the determination of the cost of transport, the fixation of the number of working days in connection with the employment of labour, of wages and the cost of production etc, it may be inferred that a reliable basis for computations of expenses and profits is not lacking, broadened by the minute knowledge of the intricacies of private trade which the administration has to utilise in applying its rules of taxation for the assessment of costs ( under various heads ) and profits

The State s practical response to the need for strictly accurate budgets, based on an assessment of its financial position and commitments for the period covered, may be presumed to be an actuality from a consideration of the apportioned responsibility for any error arising out of wrong calculations concerning receipts, expenditure and net balance, for any loss of State-funds, however small, for undertakings which may turn out unprofitable, also for furnishing statements as regards projects to be executed in each of the several departments mentioned, the individual and collective participation of the *mahāmatras* in the task of presenting accounts pertaining to each department, the urgency of planning for profits, which is not possible without a working estimate of the available stocks and finally the warning issued by the king

to the effect that necessary expenses on profitable projects should not be reduced, as it may ultimately lead to serious loss.[17]

So far as Government employees are concerned, the duty before the State is to take serious notice of their extravagance as well as miserliness, as both are equally harmful to the economy of the country.[18] Wealth, wasted on useless luxuries or in indulging in an immoderately expensive style of living, may understandably enough, be a loss to prudent investment A miser has a low standard of living, which may be supposed to react correspondingly on the market in an adverse manner. If he hoards his money, it is withheld from investment, thus putting a curb on an upward tendency in the business world A niggardly person is particularly undesirable, says Kauṭilya, for by his way of living he causes hardship not only to himself but also to his employees. Though not directly mentioned by him, the net result of this is an inevitable shrinkage of the market and other such deplorable phenomena. One of the motives of hoarding may be to evade payment of any kind of tax, if otherwise chargeable, on declared property. A niggardly person may send out his movable property to a foreign country evidently for securing profits without the knowledge of the government of his land, which cannot be tolerated either on political or economic grounds A good deal of vigilance is required to keep a sharp watch on his activities and those of his agents through whom he may work and whenever possible, it is prescribed that the offender should be treated without mercy. It will be taking a narrow view of the rule against wasteful habits and niggardliness if it is understood to be wholly or primarily a part of moral teaching. Those among the government employees, who are spendthrifts and misers in their private lives appear to be considered unsuitable in view of the discreetly forward policy of the State in economic affairs

With a view to protecting the interests of the Treasury (*kośa*), which is regarded as one of the constituent elements of sovereignty, accounting and auditing are treated as matters of the utmost concern in the field of public finance. Whatever the income, it must be duly credited to the State's account without any loss

whatsoever resulting from the inadvertence or fraudulence of the administrative staff, or from irregular or incorrect accounting In a central department accounts of all kinds are to be preserved, including, of course those which accumulate from year to year, required for current use as well as for reference purposes Preparation of accounts involves a process in which different grades of officers and their employees take their assigned parts, viz. the *Mahāmatras*, the departmental heads, the *Karanikas* and the *Karmikas* ( assistants, clerks )[19] Accounts prepared by the *Karmikas* are in the first instance checked by the Karanika ( superintendent of accounts ) The *mahamatras* testify to the accounts relating to the different departments and lastly, the prepared accounts are received by the highest accounts officer (the 'Accountant General ) and his staff by whom they are subjected to a rigorous scrutiny. Book keeping in practice is governed by the conventional rules which have evolved in regard to entries to be recorded against each item of receipted income and incurred expenditure, and the manner in which they are to be verified at different stages, with constant reference to precedents and past records bearing on every transaction, noted in the relevant accounts Calculations are to be worked out on the basis of the duration to which they are related such as specified number of days fortnights, months or year. Every receipt to be valid, must bear reference to the time and place pertaining to it, the manner of collection, the person making the payment, the officer fixing the amount charged, the officer who receives it, and the past and present position of the case under consideration It may be that the figures arrived at are arithmetically correct, but this alone will not prove their authenticity in an indisputable manner. The figures will have to be checked with the help of avilable intelligence reports Besides, an intimate knowledge of the rules and conditions of trade, commerce and industry, prevailing not only within the State itself but also in 'foreign countries' with which it may have any intercourse, is required to do justice to the duties imposed upon those responsible for the preparation and verification of accounts Any mistake in the book keeping raises a strong suspicion of dishonesty, no matter whether it is

deliberate or accidental As many as forty varieties of embezzlement are listed,[20] exposing the baser instincts of those engaged in public service, their spirit of opportunism and proneness to deceit and fraud, which are not to be regarded merely as evidence of moral lapses on the part of individual offenders but also, to a large extent, as evils inseparable from a growing economy. The enumeration is an outcome not merely of close academic reasoning but also of searching enquiries into administrative corruptions. Profit making motives may be responsible for an act of appropriation of Government funds, where investments are likely to pay good dividends. The treasury may be reduced by dishonest Government servants, misappropriating public funds and lending them on periodical interest or using them for purposes of private trade. The management of fiscal matters in the Kautilyan polity has assumed such a complicated form with its scope ever widening with the progress of the exploitation of human and material resources that it is not impossible to discover a loop hole through which a surreptitious deal can be manipulated. A means of combating this evil is provided in the conditions laid down for an accurate system of accountancy and for supervision and auditing at different stages It is of basic importance, for instance, that amounts should be realised only when they fall due, that they should be entered against their sources with thorough accuracy, that different items of collections are not to be combined into a lump that it is to be shown clearly whether a certain collection is in part payment of dues or a complete one and that one source of collection is not to be substituted for another, etc. It becomes relatively easy to detect a case of fraud where there has been a patent breach of the rules in the procedure, laid down with every mark of definiteness As in the case of income strict rules are also formulated, perhaps to guard against pilferage by concocting false bills for payment on the debit side of Government funds It is enjoined, for instance that payments are to be made as and when due, that they should be entered when they have been actually received and there is also a rule for general application that all calculations are to be in strict accordance with the authorised calendar, as well as a prohibition of tampering with test marks (of gold and silver)

Similar rules of a binding character are prescribed in dealing with State-managed businesses, where the temptation for defalcation may be strong, involving barter, large-scale employment of labour, and collection of dues of various sorts, such as ferry-dues etc. When a defalcation is actually detected, there is a *prima facie* case against the whole group of officers, concerned with the particular management.

The State in Kauṭilya has a complete monopoly over mines,[21] which, if properly worked and managed, can place at its disposal the type of wealth to which a special significance is attached without any ambiguity. It prefers trade with the South because of its superiority in respect of mineral resources. Even in determining the line of foreign relations the king is to be guided by the theory that a friend 'possessing immense gold is better than a friend ruling over a vast population', for, as Kauṭilya says, 'armies and other desired objects can be purchased with gold'. The use and distribution of gold and other such mineral substances is to be under State-control, and metallic objects can be manufactured only under the supervision of officers appointed by the Government. Mines can be worked either directly by the State under its own management, or by private bodies under a licence issued by the Government in exchange for a stipulated number of shares in the business, probably 'of the output only', or some kind of charge as Royalty (*bhāgena prakrayeṇa vā*). Mines, handed over to private persons or companies, include generally those which require a considerable outlay for their proper working, for the State on no account should take up a costly business where there is some risk of loss, or in which complications may arise, making it impossible to be assured of satisfactory profits. Private mining concerns will be licensed to sell their bullion under State-supervision in a central market, presumably in the presence of duly appointed Government officers. Only those mines, which can be operated with relatively less expenses, may be placed under State management. Where mining is licensed to a private concern, it may be supposed to assume the character of a trade which is subject to the ordinary rules pertaining to the assessment of costs and profits. There is no evidence to

suggest that the usual trade regulations are to be liberally interpreted or relaxed in their application to this branch of the private sector on the ground of the State being vitally interested in the amount of the profit accruing to it.

The monopoly over mines, enjoyed by the State, is intimately connected with currency matters It has departments equipped with officers (*Suvarnādhyaksha*, *Rūpadarśaka* and *Lakshanādhyaksha*), having technical knowledge of metals, to look after the manufacture of coins and the testing of their authenticity before they are made current as legal tender Private individuals, either singly or in a group (*Saṁgha*), may bring their bullion to the royal mint to get it converted into coins on payment of *rūpika*, charged at the rate of 8 per cent, *vyāji* at the rate of 5 per cent and one-eighth pana per cent as *parikshika*. The 8 p. c. premium is due as cost of manufacture, and *vyaji* is the common name of the schedule of profit which the State makes to bridge up the difference between the royal and the market measures and weights under the usual rules relating to trade. Every manufactured coin is to be technically tested before it is allowed to pass as an authentic medium of exchange and be admissible to the Treasury The *pārikshika* of one eighth pana is exacted as the testing charge Besides there is a fine of 25 *panas* to be imposed on an offender in currency affairs, other than the manufacturer, the seller, the buyer and the examiner. A doubtful point may arise in the case of *vyaji* which the State collects when there is a market transaction For example, a private person may buy a quantity of bullion from the State for various needs, he may want to have utensils, ornaments, etc, to be manufactured out of the purchased bullion. At the time of purchasing the bullion he has to pay the *vyāji* at the standard rate, as required under the rules Subsequently, he comes to the royal mint with a portion of the bullion for manufacture of coins Will he have to pay *vyāji* for the second time? If so, it will be like a case of double taxation, and hence it may be supposed that this specific charge is collected only once[22] in the course of the transactions of which details must be on record for purposes of reference to determine liability for payment In fixing the money-equivalence of a coin with which is connected the question of

its purchasing capacity, the cost of its metallic content including the alloy used, the expenses of manufacture, testing and *vyāji*, calculated on the percentage basis, are presumably taken into consideration. The attention, paid to the maintenance of a manifest standard of technical accuracy, in all stages relating to the manufacture of currency, shows that the advantages due to authenticated tokens of money are widely appreciated in the Kauṭilyan economy, in which barter is not eliminated but retains a place of sufficient importance, as shown particularly in the transactions held in the name of the State. It seems that the policy of the State is to make the system of barter work with scientific accuracy by controlling prices, which also helps the cause of the extension of the use of coins as media of exchange. The person, who brings bullion to the royal mint, to be converted into coins, knows how much currency he needs for his trade, and by this consideration the extent of his currency-holding is regulated in a practical manner. Even bullion, unconverted into coins, may probably be used as a valid medium of exchange, where it is not required to make payments in cash in terms of money-tokens.

Excluding the State-owned land, cultivable land in rural areas comprises private holding, with the liability to pay a share of the produce to the State. Waste-land, represented by pasture grounds, game forests, etc., is partly for common use by local residents but their *ownership* does not belong to them either individually or communally.[23] All heirless estates escheat to the Crown, not to the community concerned. But sale, mortgage and succession in respect of private holdings, mentioned above, are otherwise protected by law in favour of their individual possessors, which suggests that the incidence of private ownership in such cases is practically complete in its legal content, if not mentioned otherwise. While the right to sell is fully recognised, the choice of the person to whom the transfer can be made, appears to be subject to a restrictive condition, which is imposed to curtail a basic right in the interest of the current socio-economic and moral ideas, on which the fabric of village-life is supposed to be founded.[24] Particular care is taken by the State in keeping and preserving detailed records of all such individual holdings, needed for accurate taxation as well as for the determination of the incidence

of ownership, claimed and admitted in law. State ownership, extending over these private holdings, is not shown by any visible, determinate sign. The term '*bhāga*', used to denote the crop-share, is also applied to the share which the State claims as its due in a private mining-concern, for example, under the terms of a licence issued to the latter. On the ground of this analogy it may be supposed that the produce of the soil, which is jointly shared by the State and the cultivator in question is similar to the profits in the mining business where the sharing is between the State and the licensee. As in the latter case the licensee has no legal ownership conflicting with the monopoly enjoyed by the State, in the case of the land holding also, the ownership may be regarded as vesting in the State. The difference between the two cases cannot be minimised. In the first place, no positive declaration, as in the case of the State's monopolistic right over mines, has been made in regard to lands held as private holdings; and secondly, there is nothing of the nature of a licence testifying to the State's ownership of such lands and fixing the Crown's share in pursuit of the terms actually laid down in the contract. The right to sell, mortgage or partition, which belongs to a private holder of agricultural land, is not claimed by a licensee in the mining business or seen to be conceded to him by the State, which shows that the extent of his hold is much more limited from the practical point of view, if not from the legal stand-point also. Moreover, there is no knowing whether a ground rent is also charged from cultivators in addition to the crop share and other levies as symbolical of the State's ownership right over their holdings While the State's ownership of mines is not in dispute, a similar right extending to the surface also is advocated in some texts. One commentator[23] quotes a verse which says that the king is the lord of earth and water ( *bhūmeh patir udakasya cha* ) according to those who know the *śāstras* The title '*bhūmipati*' is commonly used to denote the king's position as the ruler of a territory. It may not be unlikely that an attempt has been made to find support in this title for the theory of the king's ownership of all lands, as held in certain quarters, with a view to disproving any title to private ownership, which may be put forward in opposition to

the State's claim. It may be argued that if royal ownership were not a mere theory, but an established fact, it must have been common knowledge, and in the circumstances the reference to the *śāstras* as found in the verse, would have been superfluous; the verse is of unknown origin and date, and is also vague in not specifying the authorities referred to. This is not the kind of evidence, on the strength of which, one can attribute to Kauṭilya any theory or view, which is not explicitly stated in the extant text.

To some extent, ownership of land is restricted by the State's declared right of ownership over mines, and the manner in which it is to be exercised. Ultimate state-ownership as an inherent and inalienable right, associated with sovereignty, may give a legal basis for the eviction of undesirable elements, the distribution of land after dispossessing its original occupants and for administering a threat of expulsion to induce allegiance of people, specially in conquered territories whose loyalty may otherwise be difficult to secure. It is doubtful, however, if Kauṭilya will agree to put a theoretical right into practice and to carry it to its logical extreme. He advises the king to make clear to the people of a vanquished land that he has every respect for their customs and usages, which must include those relating to land tenure also. In extreme cases however, superseding any existing title to private ownership by an act of expulsion may actually take place. In order to establish such an act on a legal basis, and to validate any new tenure, which is created, replacing the previous one, the theory of the ultimate ownership lying with the king, may be resorted to as authoritative.

taking a family as a unit within the limits of the total accommodation available is not known If on an average a family consists of five members the total population in a new village to begin with will vary from 500 to 2500 The distance between two neighbouring villages is to be one *krosha* or two *kroshas* at the most It may be concluded therefore, that the policy is to create a uniform pattern of comparatively small villages and by limiting the number of settlers to prevent con gestion as far as possible in the area to be developed The idea seems to be that it is better to have more small villages and to make them dependent on one another within the available space than a few big ones for conditions and facilities which can make the scheme work with greater ease seem to be initially suited to enterprises developing under a system of inter related small village units, rather than big settlements with their extended needs which may not be satisfied in the state of things existing at the time of building up the colonies

Kautilya brings abandoned sites under the operation of his land-development scheme Here, as in the case of previously unoccupied sites there is no mention of any pre existing right to be taken into consideration in the distribution of land to new settlers Any right, obligation or commitment which may have been binding previously, must be understood to have ceased with the vacation caused by the earlier inhabitants deserting the sites concerned in a body so that they become available for a fresh distribution It is difficult to come to a definite conclusion as to whether such sites originally comprised private holdings contributing a crop share to the public exchequer or allot ments under a different system of land tenure, similar to or identical with the arrangement proposed under the colonisation scheme If the latter alternative is true, the terms offered to the new settlers will not appear to be in pursuance of a novel policy of land distribution

The land development policy is, to a large extent intended to benefit *Sudras* and cultivators [3] and thus provide relief to the lower socio-economic strata the artisan class and the peasantry, forming the backbone of the rural population Among the recipients of land there may be peasants who have the necessary means to carry on cultivation but no land to cultivate [4] When land is provided to such people they accept the obligation of carrying on the work of cultivation with a

liability to pay a tax in the shape of what is called '*Kara*' in return for a life-interest in the property distributed by the State. The parties to the contract must be the heads of the families concerned and the State. These peasants have to provide labour, implements, seeds, etc. at their own cost. It may be noted that the term, used to denote the tax levied on them, is different from the one which is taken to mean a crop-share, thus showing a distinction in the sphere of taxation between the owners of private holdings and the new settlers who are given land with a limited interest. The obligation not to neglect cultivation is an essential one, in which the State is materially interested. The State's policy is not merely to distribute land on favourable terms at the time of the settlement, but to guard against its misuse or halted progress of cultivation which will defeat the very purpose for which the assignment has been made. When the life-interest ceases with the decease of an assignee, what happens may not be difficult to guess. It has been already noticed that Kautilya measures the accommodation to be granted on a family-basis, taking probably the head of a family as a contracting party. In this respect the more important in the scheme, therefore, is the family, not the individual Hence when one life-interest comes to an end, it may become the usual practice to enter into a new contract with a surviving member of the family, in which the old terms are renewed As the interest is only for life, the land concerned remains impartible with no risk of fragmentation, resulting from the application of the customary rules governing the partitioning of hereditary property. Whether, when the possession of a plot of land is confined for generations to the same family on the life-interest basis, the limited right of ownership can develop an attribute, without necessarily becoming exactly identical with it, similar to that of permanent hereditary holdings, is more than one can say It is not known whether a separate fee is charged when a redistribution takes place after the death of the former lessee as a condition of the transfer.

When cultivated land is not properly looked after, it may be taken away from the defaulting assignee and distributed to a *grāma bhritaka* or a trader.[8] Possibly such a step is to be taken after a careful consideration of the causes of the default, which may show that the choice of a *grāmabhritaka* or a trader will be suitable to eliminate the

difficulties besetting agricultural operations in the affected area When arrangements are made with *grāma bhṛtakas*, they receive the land mentioned, probably against the wages to which they are entitled for their services in the village where they are posted. But a trader may not be a tiller himself. He will naturally depend upon labourers to carry on the work of cultivation. He remains directly responsible to the State, so far as the tenure is concerned, while his relations apparently with the actual tillers will be determined without detriment to the agreement with the Government The offer of land for development purposes in such cases cannot be supposed to be attractive unless it is of a reasonable size, or consists of a number of contiguous holdings Unless a reasonably large cultivated area is vacated for redistribution to such people, it is difficult to see how the plan can work in a satisfactory manner.

The land settlement policy with all its resultant benefits to rural economy involves also some expenses, capital and recurrent, required for the construction and maintenance of various essential items of public utility, without which it may not be possible for the new settlements to prosper In addition to the State s expenditure on these accounts, the concessions of different sorts, offered in regard to taxation etc , represent the extent of financial help which it is prepared to render in expectation of an ultimate gain [6] It is also usual for the State to take the help of the people in the undeveloped areas in which they must be naturally interested It is worth while to note that the co-operation rendered by the villagers is openly denied any private or individual interest other than what is available for the community as a whole, of which they are members Thus the expenditure, *incurred by the people concerned is for* a co-operative cause which benefits the entire locality, but does not create any title to profit on an individual basis One who is not able to contribute financially (in the shape of betterment fees?) is required to provide for physical service as a substitute for payment in money A sense of collective responsibility is also perceptible in the provision which requires the property of a minor to be looked after by the village elders It is not known whether a fee is charged for such services.

To sum up, if the colonising policy is given effect to on the lines suggested, it may lead to the following results:

1. utilisation of available agricultural land,
2. prevention of overcrowding in existing villages,
3. settlement of the excess population in the newly reclaimed areas,
4. provision of employment for peasants and agricultural labour, and means of livelihood through the pursuit of agricultural and allied activities
5. growth of a mercantile class with a rural background which can bring its own commodities to the market,
6. increased production of food stuff and other agricultural commodities,
7. increased demand for manufacture of agricultural implements to cope with the requirements of agricultural expansion and also other industrial goods, required for the use of rural folk, distributed in the growing areas,
8. increase in revenue due to agreements entered into by the State with the new settlers
9. and finally, creation of a series of rights and obligations connected with the legal side of the transactions, as involved in the whole procedure of the colonisation.

There is a good prospect of land development if an interest in it can be created among the intelligentsia of the country, represented by responsible officers of the State and members of useful professions. Officials of certain definite categories and members of a number of select professions are among the recipients of conditional or other such grants[7]. The advantages of such an arrangement are obvious. Firstly, the recipients can bring to bear upon the improvement of their estates their personal influence, administrative or professional. Secondly, the State in some cases probably finds it more convenient from the financial point of view to make gifts of land to reward efficient service than to gratify them by other means, and thirdly, there is also a reasonable expectation that the grant will be utilised and the recipient's position become a stabilising factor in the economic set up of the place to which he is assigned. When officers are

benefited by such grants, an administrative cum landed nobility may come into being, provided certain conditions are fulfilled Among the beneficiaries high officials like superintendents have to live in the head quarters as required by their administrative duties, but the endowments, made in their favour, provide them with a material link with the soil They are not in a position to personally look after their village estates and supervise cultivation They will have to employ agri cultural labourers on current terms and conditions, and also others to take care of their interests locally Besides *adhyakshas* (superintendents) the favoured circle comprises accountants (?) *gopas*, *sthānikas* veterinary surgeons', physicians, 'horse trainers' (?) and messengers (?) It appears that some of these beneficiaries may have a real need for land in connection with their respective functions in the socio economic life of the people A physician, for instance, may require land to grow plants and herbs necessary for medical preparations and experiments, a veterinary surgeon for growing fodder for animals and also medicinal herbs for them, like Brāhmanas who are given land suited to *Soma* plantations which they require for their religious purposes [8]

The '*gopas*' and the '*sthānikas*' have definite connections with the country side The duty of a *gopa* is to attend to the accounts relating to a group of five or ten villages under the central supervision of the Collector General' (*Samaharta*) In the course of his work he has to come into close contact with the residents of the villages placed under his jurisdiction whose occupations, properties, economic rights and obligations are to be charted by him The *sthanika* is a higher officer, being in charge of one quarter of the entire kingdom

There is one condition attached to all such grants of lands[9] they are definitely made inalienable or non transferable through sale or gift As to whether they are hereditary or not, there is no specific information in the context If an officer or member of a profession is rewarded, it must be in recognition of his personal service or attainments, but the idea of conferring a permanent benefit on his family may also be regarded as a practical proposition Nevertheless under a system of offices descending hereditarily, and of the parent's profession being followed by his children, the chance of a gift originally made to a

person of distinction for his life or during the tenure of his office, if he is an administrator, may tend to become hereditary. But the grant in any case initially gives a limited interest, since no transaction of sale or mortgage is permitted under the conditions of the gift. In this respect the recipient of a *Brahmadeya* land is placed in a position of decided superiority.[10] Lands, given to Brāhmanas performing sacrifices and doing other priestly work, those distinguished for their scholarship in the Vedic literature, belong to a different category, specified as *Brahmadeya*. The land given to a Brāhmana must be well developed, and the income to be derived from it must be known to be such as can fully meet the requirements of the donee.[11]

Exemption from the obligation of paying taxes and fines (*Akara danda*) constitutes an essence of the incidence of ownership, created by such endowments. If the favour is extended on a considerable scale by increasing the size of the grant, a Brāhmana priest or scholar may be fortunate enough to get a large estate including holdings of cultivators and others settled on it with obligation to pay tribute, taxes and fines, etc., to the State With the making of the grant to the Brāhmana donee, who receives it, are transferred all such payments Thus if there is no limit set to the extent of land which may be given as an endowment of this special character, the economic position of the priestly class improves at the expense of the State, which may be of any amount depending upon the number of gifts made and the boundaries covered by them. There is a general rule prohibiting a Brāhmana not to transfer his interest except to a member of his own caste.[12]

The land-settlement policy, pursued by the State, brings into being different types of legal rights and obligations, as summed up below

1. The right of cultivating the land distributed on payment of stipulated taxes (*Kara*), this being limited to the life of the tenant or lessee. The State does not evict him if the land is properly cultivated This arrangement is made with peasants who are able to bear the cost of cultivation, the State offering concessions when there is a strong case for doing so in the interest of the development of the land

2. The right to cultivate a neglected area after eviction of the former lessee failing to fulfil the stipulated condition, transferred either to a member of the village-secretariat or a trader. The relation between

such a person and the State is direct, while the latter seemingly has no interest in the arrangement which the former may make with local labourers, etc., in carrying on the work of cultivation. No arrangement can possibly be made, contravening the terms and conditions of the contract with the State.

3. The right to own lands, conveyed as gifts to high officers and professionals, subject to the condition of non-transferability either by sale or mortgage.

4. The right to own lands, free from taxation and other dues, bestowed on learned and pious Brāhmanas under the rules governing *Brahmadeya* lands.

5. The right of ownership, reserved by the State, with regard to 'fishing, ferrying and trading in vegetables, in reservoirs' constructed by it in the reclaimed areas.[11]

6. Where a tax is collected under the system, it is called *kara* which seems to be different from a crop-share, a payment in kind.

7. The right to *use* pasture-lands and some areas known as game-forests (comprised in the undistributed waste), enjoyed by the local community, but with no admission of ownership, communal or otherwise. Some of the available pasture lands, which are to be kept open for grazing purposes as well as game-forests in which game beasts are to be preserved, are similarly allowed to be used by all. The use only is confirmed but no right of ownership. The State keeps some game-forests, including elephant forests in particular, exclusively for itself. Wild tracts are to be cleared to be converted into timber forests which will benefit only the royal exchequer.

A good deal of agricultural land remains under the direct management of the State, through the supervision exercised by the *Sitādhyaksha* or 'superintendent of agriculture.'[12] The crown lands are a source of income to the State like any other business conducted by it. The cultivation of these crown-lands, wherever possible, is to be carried on under the supervision of the *Sitādhyaksha* who will employ slaves, labourers and also prisoners to sow seeds and for similar other purposes. The labourers, employed in the work, are to be supplied with the necessary implements and requisite help from allied industries The State here functions as an employer of labour, entrusted merely

with physical work It is also open to the State to enter into agreements with persons, prepared to undertake cultivation, bring in their own implements and other necessaries, who are to be given a half share of the produce in return for the work which they undertake to complete [14] In different circumstances the State may enter into an agreement under which it will not concern itself directly with the management or supervision of the cultivation, to be taken up by peasants who are, however, to be provided with the necessary tools, presumably at the cost of the State Peasants thus employed by the State are entitled to one-fourth or one-fifth of the produce or any such proportionate share as may be mutually agreed upon [15] The difference between the share apportioned to an independent peasant who has his own stock of belongings required for the agricultural operation and the share allotted to the one who is to be furnished at the expense of the State, represents, at least to some extent, the difference in economic position between two important sections of the Indian peasantry The share which the owner of a private holding pays to the State, must be more than the one demanded from the peasant furnished with tools cattle, etc, who works on a field that does not belong to him The difference between the two shares may be considered as being not unconnected with the advantage, which the private holder has over the other, and can therefore be estimated as based on the market value of the land which one possesses but the other does not But any equation, attempted on these lines, is bound to be hypothetical in character, although it must be granted that taxation cannot be wayward and arbitrary but be based on a reasonably accurate valuation of land and other possessions used in agriculture, specially as these are related to a complicated agrarian system in which graded dues are collected from cultivators of different categories who do not own similar objects but work on a share basis The advantages of a cultivator working on his own field with his own implements and cattle are due to their current values, and he, therefore, gets more of the crops produced by him than the others who are materially handicapped, when compared with the former Unless, however, it is definitely known how much a land owning cultivator has to pay in addition to the grain share,

having a specific bearing on his relative advantages, these cannot be clearly measured in terms of the valuation of the land etc, possessed by him

For purposes of colonisation vacant (*śūnyam*) or waste land, may be offered for sale (*kretaraṁ paneta*) to resourceful persons having the financial and other means to execute development projects unaided by the State.[16] If such a person, after the sale has been completed, fails to show any progress, and the heavy loss and expenditure, incurred by him in pursuit of the colonisation scheme, brings about his own ruin and also of the subjects concerned (*prakṛtibhih saha kshayavyayenāvasīdati*), the misadventure is to be exploited by the king to recover the land previously sold by him. In the circumstances, whatever right the buyer acquires through the agreement appears to be a limited and conditional one. For, some obligations probably continue, binding the transferee to the crown even after the transaction, otherwise there is no point in saying that the land in question is recoverable if the leadership, to which it is committed, ultimately finds itself liquidated It is to be specially noted that a buyer of this class is not only a moneyed man having a *kośa*, but is also equipped with a military force (*danda*) The latter is specially required in the prosecution of his task in a troubled area It may be that the man with his troops is under a liability to offer military assistance to the king, when called upon to do so The people, whose fate is linked up with the development undertaken by the buyer, are called *prakritis* (i e, subjects) Marks of a kind of vassalage with its territorial content unknown seem to be present, and possibly feudal relations may exist and grow in the environment created by this special type of disposal of land

# CHAPTER III

## *Trade Motif*

Broadly speaking, trade, as shown in Kautilya, has two sectors, public and private. The private sector has to work under a number of limitations, e g, an appreciable portion of business and industry is kept beyond its scope, due to monopolies enjoyed by the State, then again, it cannot function freely in the field of foreign trade under rules prohibiting import of certain specified articles[1], even in cases where such restrictive provisions do not operate, there is a general rule to be observed that no merchandise is to be imported, which may be considered injurious to the people[2]. Much depends on how this rule is interpreted in individual cases, and it may so happen that some articles will be shut out about whose allegedly offensive character different opinions may be held. Moreover, the rate of profit being fixed by an inexorable rule, competition with state managed business in respect of commodities in which both the sectors may happen to deal may ultimately affect the out-turn expected in the private sector, for the price being the sum-total of costs, the trader's profit and the State-levy, may be higher than without the trader's profit included in its composition, although inclusive of the profit which the State determines for itself to be charged on its own merchandise. This can be checked, however, if the price is kept at the same level in both the sectors, otherwise a shrinkage of private trade may possibly occur. The imposition of perceptibly high rates of toll[3] may be due to the State s concern in maintaining a parity between profits as calculated to be accruing to its own investment in trade and the income which it derives from levies on the values of private merchandise The State, being careful in avoiding risks to its investments in undertaking commercial enterprises, may not want to discourage private trade if it gets its toll at varying rates without any chance of loss to the exchequer, fixed at levels not unrelated to the profit potential in the public sector. If a certain price becomes unpopular and the State does not give the necessary

relief by altering its tariff accordingly, the affected merchant may grow nervous about the disposal of his stock. Instead of reducing its rate of toll, in some cases it makes an enhancement of the price lawful[4] although it is not known if the market will cheerfully accept the change When private trade recedes due to pressure of such circumstances, the State may find it profitable to take its place and fill in the gap A conventionalised tariff, supported by stringent penal provisions, may consequentially threaten the market economy. Kautilya does not say that the tax schedule can be altered in accordance with fluctuating market conditions, he does not give an analysis of conditions necessitating alterations of his taxation scheme in regard to the various items of merchandise mentioned by him[5], but in certain exceptional cases concerning precious articles the State is shown to reserve the right of settling rates on consideration of relevant data regarding costs, quality, etc[6].

The information, which is most sought for, partly belonging to the domain of modern commercial geography, relates to land routes and water ways products of various kinds grown in different places, also the various charges to be met in foreign lands in connection with trade transactions, including prices of articles and their exchange-value[7].

Methods known to the State for sale of its own wares at profitable prices are those of centralisation in some cases and distribution in different markets in the others Merchandise 'which is widely distributed', i e for which there is an extensive demand, presumably of which there is a sizable stock, should be made available for sale centrally[8]. The object of doing so is to make it possible for sale at a price which will fetch an initial profit Care is taken in watching that the demand does not decline and when it is found that the demand is sustained, the price already higher than expected through distribution in different markets with the relatively easy availability of the item concerned is made higher still[9] under conditions which are thus strategically controlled by the State This method of centralisation is to be applied particularly in connection with internal manufactures Those which are imported from outside are to be placed in different markets[10] This step is taken probably for the reason that

the sale of such imports being comparatively limited, consumers may be expected to be in a position to secure them at rates which cannot be unprofitable to the importing State.

Steps taken to explore foreign markets appear to be basically inspired by commercial motives The most important business, assigned to trade-missions is to ascertain with precision the difference in value between indigenous products to be exported and those to be imported from outside[11]. If any merchandise (*panya*) is to be sent to a foreign country, some merchandise from the latter is also to be imported in exchange It cannot be a one way traffic. It must be understood that if a trade-contact is to be established, it must be to the mutual benefit of the two countries involved. It follows, therefore, that such articles only can be selected for import which are likely to fetch a higher profit to the country of their origin than can be expected within that country itself through internal consumption. Similarly, articles to be exported, must be such as can be sold at higher prices in the foreign market concerned than in the exporting country, so that the transactions may be profitable ones after all the expenses have been met including the duty charged by the foreign government, the road-cess, the conveyance-cess, 'the tax payable at military stations', ferry, charges, maintenance allowance to the trade agent and his staff, besides a share (*bhaga*) of the merchandise(?) claimed by the foreign ruler as his due[12]. A regular business on an exchange basis between two States can be started if only on a cold and objective calculation of figures it is found that a margin or profit is possible What appears to be a sort of irregular or occasional business is also allowed by way of barter[13]. Though full of risks, it may turn out to be profitable. The merchant employed to take up this kind of business is advised to cultivate the friendship of forest guards, boundary guards city-officers, and officers in charge of country parts in a foreign land where evidently prospects for such adventurish trade are fairly attractive The mission may end in a disaster, and it can succeed only with the help and possibly, connivance also of the officers approached for protection.

In exploring foreign markets the State also needs detailed information as to festive and other occasions when the kinds of merchandise

preferred by assembled crowds are expected to sell at profitable prices[31]

The State, as already mentioned, employs merchants in making a thorough study of the foreign market, and when a trade relation has been actually opened, in carrying out the business to the very end across difficult routes by land and water. They come from the mercantile community, equipped with a practical and traditional knowledge of the technicalities of trade, though not engaged in trade themselves. They explore, negotiate and execute under instructions from the Administration It is not known what they actually get in return for their services, besides maintenance charges for themselves and their staff. In view of the responsibility of their work, they may be supposed to be holding a consular rank

The income, obtained by the State out of trade in the private sector, comprises levies or tolls on imports, road cesses, gate-dues *vyaji*, representing the value of the difference between weights and measures used by the public and those by the State. This income is added to the profits earned through business done by itself Sale in the open market constitutes a marked feature of the trade-system as represented in Kautilya, being suited to the policy of regulating or controlling prices from which taxes and profits are to be derived at established rates.

A market is preferred because, as it seems likely, it is conceived to be the best medium for the circulation of merchandise on the widest possible scale For the policy of sale in the open market to succeed it is necessary to have a net-work of such institutions spread over the whole country, with suitably planned roads and means of transport and conveyance by land and water for purposes of distribution and centralisation as the case may be with a view to bringing commodities within the easy reach of the different sections of the community whose needs are to be supplied. The development of these facilities takes place *pari passu* with the extension of trade, private as well as State managed, which cannot be achieved under deficient marketing conditions The principle, by which the State is to be guided, is not merely that profits and levies must be fully realised, but also that profiteering should be scaled down as far as possible, and prices so controlled that they may

not affect the consumers adversely[15]. A working idea of fair or proper price is behind the policy that goverus trade and commerce. Price is not something dictated from above ; it is determined by some imperative factors—such as costs, the exact ratio between demand and supply as far as ascertainable, fixed rates of profits, chargeable duty, etc What is essential, however, is that the price, whatever it is, must be announced, offering little scope for haggling. The rates of profit for the merchant are fixed at 5 p c. on all classes of internal commodities without any exception, and 10 p c. on those imported from abroad[16]. This doubling of the rate of profit is a positive step towards encouragement of import trade which is beset with special risks and difficulties There may be another reason for fixing this higher rate. A larger outlay may be required in importing foreign merchandise than in trade in internal products, and the time needed to complete the related process must be necessarily long Apart from the attendant risks which should be taken into considera tion, the higher rate may be justified if it is commensurate with the value in interest that may be fetched by an investment of the like amount for an equal period without any serious interruption The evils that inflated prices may mean seem to be known to Kautilya. By regulating prices and fixing rates of profit under enforceable conditions of calculation and assesment the State takes an important measure to check profiteering for which it has no sympathy

In private trade services of those who may be described as standing between producers and dealers are usefully employed In fact they constitute an indispensable element of the current trade system, as shown in Kautilya These persons, functioning as middlemen [17] do not have a share of the profit reserved for the dealer nor are they allowed in law to earn a profit for themselves in the course of the transactions conducted by them Their counterparts in the public sector are members of the mercantile block with whose help the State carries on its own trade with foreign countries They are given a maintenance allowance[18] which may be understood to be in agreed and reasonable proportion to the total outturn of business but it is to be noticed that no rate has been worked out in this connection

It cannot be that the style of living, to which one is accustomed by reason of one's social status, is given no practical consideration in fixing the amount of allowance. The value of an article of merchandise, which includes the fee to be paid to such persons, may differ as the fee is high or low. It is not that the 'middleman' gets his maintenance, irrespective of the volume of work, passing through his hands If it were so, it would be no more than living cost, but probably he can earn more than the minimum, the extent of the addition being related to the value of the negotiated and completed business. His appointment, therefore, seems to be on a commission basis, and not wholly on a maintenance basis. Referring to such middlemen Kautilya says that only 'authorised' persons should be employed. Although a middleman works for his employer, as he is immediately punishable for any offence committed by him within the sphere of his limited activities, he appears to bear a personal liability to the State also. In fact, though he is not the investor himself, not in his own right a dealer by profession, yet his function in trade is one with which the working of the State-policy, specially in connection with the regulation of price and profit as well as the imposition of levies, is closely connected. In view of the obvious responsibility of the State in this matter, it may be inferred that the merchant has to choose his middleman from a panel, approved by the Government[19]. The middleman is in the closest touch with the sources of supply. He collects on behalf of his master, the merchant, foodgrains and other kinds of merchandise to be subsequently distributed for sale in markets, subject to rated taxation There is not much information as to how the sources are to be tackled and how the basic cost is to be determined. The road-cess, being levied apparently on importers of foreign commodities by the officer in charge of the frontier, as they arrive in the importing country. It is fixed at rates varying according to the amount of load carried as determined from the type of conveyance used, cart, animal or human being, each having a standard carrying capacity on which the estimate is based The nature of the load carried may also be understood from the means of conveyance used, to which the difference in rates may bear same relation. The road-cess seems to be earmarked for the maintenance of roads.

The *Antapāla* is to be held responsible for any loss caused to merchandise during its transit owing to insecurity of roads. Incoming commodities are to be checked by him with their qualitative variations and then stamped with his seal Any misstatement in the declaration by the importer is a criminal offence, and the State collects information through its intelligence department to verify the dealer's declaration in regard to the quantity and quality of the goods imported. In the toll house the trader is to openly declare the nature and quantity of his goods as well as the price demanded. He cannot demand a higher price later, but if there is a bidding over the price, the margin goes to the king, the trader himself gaining nothing out of the enhanced price [20] In this way a practical check is put upon the trader's expectation beyond the scales of profit fixed for him by law.

The 'fair price idea' is indissolubly bound up with the necessity of strictly adhering to the use of correct weights and measures and separating inferior types of a commodity from the superior ones as well as the collection of the duty according to prescribed rates which may not be possible if these necessary conditions for an accurate assessment are not fulfilled. The price can remain at its regular level, if, among other things, the working parity between demand and supply is not disturbed. The trader's profit and the royal levy form the two invariable factors of the price, and when transport and other incidental expenses are more or less conventionalised, price-movement is placed under further restraint It seems to be well understood by Kautilya that his price-system may be made to work in a balanced market, i. e , where there is no wide cleavage between demand and supply. It is a system that aims to do legal justice to all interests concerned in a market-transaction, viz., those of the trader, the consumer, the producer (whose position, however, is not clearly defined), and above all, the State. The trader's expectations of legitimate profit may be frustrated and he may even lose his investment wholly or partially if he makes any serious error of judgment in adjusting supply to demand.

Kautilya's standpoint in regard to regulated price may be subjected to a further analysis As already mentioned, an idea of what constitutes fair or proper price forms an element, although not expressed

in so many words, of his trade system In the first instance, it seems to be believed as already mentioned, that price can be regulated by attempting as far as possible a practical correlation between demand and supply. Imponderables however, may happen in the field of trade as in other fields of human activity in spite of wise counsel and cautious calculation The measure to be adopted in an event of over-supply shows that the underlying policy is not to take advantage of the situation created, to achieve a reduction of the price to the apparent benefit of the consumer against the other interests involved, which will be correspondingly hit if such a course is encouraged with undesirable effects on trade and the royal exchequer A just price therefore, is regarded to be one meaning a price which is not unusually or exclusively considerate to the consuming class or callous to the interests of the State and the trader concerned in any worthwhile transaction

The rise or fall of price is a phenomenon well within the knowledge of Kautilya Both are feared, and are to be oppo ed under the authority of the State if brought about by factors which can be controlled It seems to be held that the reaction to the market of a superfluous accumulation is something that cannot be completely neutralised The State in the circumstances comes forward with a measure which is only a partial remedy against the danger It is felt that the price trend will inevitably be in favour of the consumer, but a step is taken so that this cannot go beyond control. The State takes the calculated initiative in seizing the whole stock with an embargo on further supplies until it is fully disposed of [31] It is expected that price under this plan will, to some extent, be guarded and stabilised, but however much the supply is controlled the standard price-level cannot be reached It may be supposed that dumped goods before they are cleared will suffer a natural deterioration which cannot but affect the outturn in a manner sufficient to keep the price at a lower level As the price connot be raised under pressure by any artificial means the consumer does not suffer while the consequential loss to the merchant cannot be prevented As there is some control over sale under the centralisation scheme, the seriousness of the threatened loss may be mitigated. While the disposal of the stock is in progress, the merchant is kept occupied with it on a salary basis It is quite

likely that the State will not get its full share of the toll, or that it may have to forgo it altogether The State, however, may be in a position not to yield to the downward movement of price as if placed in a helpless situation, but attempt to resist it with success by regulating the price in a manner consistent with a reasonable consideration of the amount of the investment, the quantity of merchandise held in stock the incidental expenses on various counts the interest expected to accrue to the outlay, etc Such a consideration may be in the interest of the trader concerned and when the transaction is finally completed he may be given some relief [23] Thus the concept of just price true to conditions actually prevailing in the market can give protection in varying degrees to all interests concerned even under strained circumstances A capricious price is not proper or just price Artificial inflation engineered by profiteers, such as cornering by a sort of cartel, or bidding over the declared price with a view to its enhancement, is not allowed If bidders, as already noted compete to increase price, it is the State that gets all the benefit of the enhanced price, and the trader none The distinction between inferior and superior grades of merchandise is strictly kept in view in the settlement of price Incidental expenses are to be rigidly controlled as these are to be counted in the composition of the price which will rise without an effective restraint over costs The middleman cannot make any profit The trader s profit is either 5 p c or 10 p c Even though the rates of toll may appear to be heavy, by all such means there is every effort to make market-value approximate to the current standard of just or fair price Proper price represents costs at different stages together with controlled profits and toll charges, the supply being essentially required to be limited by demand

It is difficult to dogmatise as to whether prices can remain fair and firm only through controls It is not clear whether control at the source of supply is as effective as demonstrably it is intended to be at subsequent stages How much a producer in a distant village or a craftsman in his workshop actually gets to part with his ware when the middleman goes on his mission of collecting merchandise is not clearly indicated in the picture although not to give a manufacturer

what is legitimately his due is an offence punishable in law.[23] The manufacturer or the producer may be placed in a stronger legal position where contractual relations exist. Merchants having their own farms or with industries subsidised by them may so manage their affairs as to make a profit in their transactions over and above what is fixed by law. If the rates of toll are felt to be high, it may be difficult to sell things, sometimes, at prices, though seemingly just or fair, which may ultimately lead to a recession of private trade. Kautilya's statement of the trade-policy does not refer to the bearing which imports from foreign lands may have on the question relating to the regulation of prices in the home-market Merchants are left free to trade with foreign lands, and as they are allowed 10 p.c profits on imports against 5 p.c. on internal goods, although for cogent reasons, they may veer more and more towards foreign trade, if by calculation they find it more profitable. How far internal trade is affected by it depends on the degree of attention paid to the organisation of agriculture and industry for improving exchange-relations.

Imports, as stated by Kautilya, comprises articles brought from abroad as well as those produced in the country, either in cities and towns or non-urban areas. These are subject to the payment of toll or duty charged at different[24] rates. The maximum rate is one-fifth of the value, but there is no specified list of items to which this rate should apply. In regard to precious articles such as diamonds, pearls, corals, etc., no rate is fixed, each case will be decided according to certain considerations. With one fifth as the highest rate, as already noted, other rates vary between $\frac{1}{6}$th and $\frac{1}{25}$th.[25] The former applies to commodities like flowers, fruits, vegetables, roots, seeds, dried fish and dried meat. Commodities paying $\frac{1}{10}$th and $\frac{1}{15}$th include fibrous garments, cotton clothes, silk, metals, sandal perfumes, coverlets, etc , wine ivory, skins, 'raw materials used in making garments, carpets, curtains, wool, etc. The rate is $\frac{1}{20}$th or $\frac{1}{25}$th for cloths, quadrupeds, bipeds, threads, cotton, medicines, wood, bamboo, clay pots, grains, oils, sugar, salt, cooked rice, etc. One arresting feature of the tariff is that the same rate has been proposed for widely different kinds of merchandise, classified under an identical group for purposes of taxation. Secondly, no reason has been

given either for the fixation of rates or their differences Thirdly, imports from abroad have not been shown separately from indigenous products, both being mixed up in a common system of classification, though it is possible that some classes of articles include both A comparative study of the schedule may show in the first place a similarity between the traditional rate of $\frac{1}{6}$th representing the king's share of the produce and the rate at which some products of land, such as flowers, fruits, vegetables, roots, etc, are charged. Then, again, some classes of raw materials are taxed at a lower rate than finished goods, such as, wood, bamboo and cotton fibres These are also among the common necessaries of the people like oils, sugar and salt which pay at the reduced rate. Different varieties of the same article appear to be charged at different rates Thus while ordinary textiles pay $\frac{1}{20}$th or $\frac{1}{25}$th, raw materials used in making superior types of garments, curtains, carpets and woollen articles are subject to higher rates The use of the latter as well as costly articles, such as silk, ivory, etc., is ordinarily confined to richer sections of the community. It is not unlikely that the grouping of widely divergent articles for the imposition of a uniform rate, as evident in the enumeration, may be partly due to an equation in prices worked out between items sold by the cubical measure and those by the weighing measure in cases where such an adjustment is possible Moreover, the general policy of encouraging imports from abroad may account for lower rates of duty, although in the absence of positive data nothing can be said definitely about its practical application to the tariff system. It is not possible to say whether in the tax-proposals, outlined above inheres a discrimination against foreign imports, which have not been specifically mentioned The imposition of a comparatively high rate is not a sure indication of an import being of foreign origin or of an attempt to shut it out from the home market for it may as well be that the rate in a particular case is higher because of the superior brand of the article concerned Profit motive being the dominant factor determining lines of foreign trade, in a particular case the tax structure may be regarded as one intended to give the highest satisfaction in that respect through suitable regulations concerning imports and exports It may also appear from a study of the articles and their varieties named in the

enumeration of toll-rates that widely separated centres of specialised products and manufactures have been brought together in a common sphere of economic co-ordination, although this need not necessarily imply an achievement in political unification. Its limits are extended by the evident broadening of trade contacts with unnamed foreign lands outside this zone.

The tax-structure may appear to be an inflexible one, as the rates are given in a schematic style. But some of the rates suggested are shown as subject to variations within prescribed limits.[26] Again, no fixed rate has been recommended for certain categories of articles, and the highest limit of taxation has been placed at 20 p. c. with no reference to specified articles.

Variations in regard to a number of commodities amounting to 1, 3 and 4 per cent have been made permissible.[27] So far as these particular objects are concerned there is this provision made for altering or modifying rates of taxation if in the trade-world a situation arises requiring a revision of the current tariff. The tax can also be raised to the maximum limit of 20 per cent, if necessary, in respect of articles on which otherwise lesser charges are prescribed, as shown in the schedule. There is no provision for a declaration in advance of the goods to be exempted from the payment of gate dues, nor any rule laid down in which the reasons for an exemption are incorporated. Cases where this concession can be granted are to be settled by the government which knows how to come to a decision in the matter. Gate dues do not comprise an insignificant item of taxation, being an amount equivalent to $\frac{1}{5}$th of the *śulka*.[28] If in any instance the *śulka* is increased or decreased, the corresponding gate-dues, if charged, will be proportionately altered Perhaps it may be necessary sometimes to relieve any unforeseen tension by granting an exemption from gate-charges without modifying the generally fixed rates of toll etc. A further relaxation is provided in a section which promises large concessions to 'mariners and merchants'[29] engaged in import trade One motive behind this is to offer inducement to foreigners to settle in the country in the interest of trade. A provision like this releases the government from the rigid compulsion of a stereotyped or traditional model of taxation.

In Kautilyan economy the State as a trader has some advantages over the private sector. The State with the help of its administrative apparatus collects different types of internal merchandise from establishments run and managed under its own auspices, and makes its own choice of the ways and means of their distribution which may be most convenient to its trade. Procurement as well as distribution in private trade is subject to control and regulations As by the use of standards of shorter weights and measures, the State makes an additional income both as buyer and seller, its position *vis-a vis* a private trader in this respect is one of exclusive financial advantage. The percentage of profit for the State is not under the dead weight of fixed rates applicable to private trade. As trade expands through individual enterprise, the State's income also grows correspondingly through increase in the collection of toll and other charges including fines etc. By cheapening the cost of production through stern control over expenditure, it may derive higher profits in selling its own goods even without enhancing the current rates. In the field of foreign trade also it can be expected to do much better than a private dealer, however resourceful he may be, if it acts with prudence and foresight because of its undoubted superiority as a negotiating authority. There are two rules of fundamental importance governing the import policy. One of these is specific in its content, naming the articles not allowed to be imported, these being weapons, chariots, metals, grains, cattle and precious stones,[30] and the other is of a general character, embodied in a verse, declaring that no article, which is harmful, should be imported and that only those which are beneficial may be brought in.[31] Now an article may be injurious for a private trader to import, but it may not be so, if imported by the State. The vagueness in the rule renders its scope indefinitely wide. It may not be desirable to import a commodity from outside in the interest of internal economy, on grounds of health and hygiene, or for security reasons Although such a rule may remain permanently valid as laying down a general directive in foreign commerce, its application must always be in terms of the current standards of judgment which may be in force for the determination of the merits of individual items of trade.

For ideas about their injurious character may change with further detailed exploration of their utilities It is at any rate necessary to have a list of non importable goods or some such definite guidance so that a dealer at a given time may not commit a mistake in the choice of his merchandise and thus be involved in pecuniary loss and troubles From the rule itself one cannot know what particular goods are considered harmful and on what specific grounds But surely it is the concern of the State to exclude articles, considered injurious from any point of view, from the list of importable goods and the curb put on private trade to the extent contemplated in the relevant rule is therefore, justified There is nothing in the directive to bar the interpretation that State trading also has been brought within the sphere of its operation, although it may be that articles excluded from import by private traders are not identical with those which the State desists from bringing from outside But there are commodities which, because of their wholesome character, deserve to be imported By way of example mention has been made of seeds which may be required to be imported from outside to help the cause of indigenous production and manufacture Unless an importer of such specially useful goods is offered practical encouragement in the shape of tax-remission, he may be doubtful about the prospects of their sale at profitable prices in the home market as the cost of procuring them from a foreign country may be high enough to belie expectations of a favourable margin The State considers the question of granting exemption from toll charges in respect of such valuable articles in a liberal spirit because what it loses for the time being may supposedly be made up for if through this measure the general prosperity of the country increases in the long run

But no intrusion on any account into a field clearly demarcated as its own is permitted by the State, as the rule specifying the articles not to be imported by private traders shows without any ambiguity in its meaning Articles such as weapons chariots etc , as already mentioned are not to be imported from outside The prohibition in this case, which is not generalised as in the other rule, bears the characteristic stamp of the exclusive rights of the Kautilyan polity in its economic functioning with its monopolistic bent in some spheres

If any such article is imported, it is liable to confiscation with a threat of further proceedings against the offender. If there is no demand for it, the trader with his habitual concentration on self-interest cannot be expected to import it except at grave risks to himself. The State also knows of its utility, as evidenced by the step taken by it, subsequent to confiscation, for its disposal outside the city's market[82] where traders can assemble their merchandise, which is lawful, and not contraband. After confiscation it becomes a part of State merchandise, and hence no toll is charged on it.

The mechanism of trade in Kautilya is manifestly sensitive to the behaviour of those who play a vital role in the private sector. The horizon is overcast with clouds of suspicion, and behind all the rules and regulations set forth can be seen the penetrating eye of an observer who knows how in so many ways a dishonest trader can defraud the State of its legitimate dues, and create conditions unfavourable to consumers and producers, and unhelpful to stable economy, which, in Kautilya, is armed against corrupt practices such as smuggling, underrating, underwriting, overrating, non use of authentic seals, submitting false declarations about imported merchandise, evasion of *śulka* in the custom house, cornering or attempting to reduce or enhance prices, not giving the artisan or manufacturer the proper value of his product, etc.[83] In the Kautilyan system there is no lack of provision for the punishment of every kind of offence against trade regulations. It is doubtful, however, if it is possible to detect offences of all sorts, and to eradicate the evils rampant at every stage of business with the help merely of penal provisions, however carefully they may be formulated. When dishonest practices are so common a feature in private trade it is difficult to feel assured that the public sector is incorruptible. As far as one can judge, the rules against dishonesty in whatever form it may occur are severe, and the detective method applied is of a searching and unsparing type in theory. There is a possibility of undue harassment, which may act as a deterrent to the expansion of private trade.

Cases where exemption from toll and other charges can be expected have already been discussed. In some cases tax-rates are also

reducible. So far as its own trade is concerned, the tate decides for itself what steps are needed for the proper disposal of its stocks of merchandise. Arrangements for retail sale at hours suiting the convenience of consumers are made.[34] High prices are not to be charged[35]. There are other provisions dictated by expediency, those by which the goodwill of consumers can be earned. But though apparently concessions are sometimes offered, behind every act of the State one cannot fail to notice the never-ceasing alertness with which a successful trader carries on his business with a full understanding of the needs and habits of his customers. A private dealer is not expected to reduce price out of any social consideration and thus deprive himself of any profit which is legitimately within his reach. But the State, even though ordinarily steadfast in its financial demands, is compelled under the pressure of the prevailing concept about its social and religious duties to forgo revenue on certain specified occasions. In a strictly limited sphere which has been defined with some precision the State grants total exemption from toll charges out of regard, as constitutionally provided, for well established customs and rituals such as those connected with marriage, sacrificial performances, confinement of women, worship of gods, consecration, investiture with sacred thread,[35] etc , in respect of the commodities required on each separate occasion Each article has its value which must be paid to secure it, free of the usual taxes. Its commercial value is thus believed to cease when it is acquired and put to the specific use for which it is intended. Among articles rendered tax free under this rule there must be some like those comprised in presents received by a bride from her parents' house, which being objects of permanent value and enjoyment, may be sources of continuing financial benefit. As occasions like those mentioned occur frequently, the consequent loss of revenue may be quite considerable If the same policy is extended to other communities the loss will be still greater. If, moreover, rich and poor alike are to be benefited under the scheme, irrespective of their varying requirements, the strain on the public exchequer may prove too heavy for it to bear. It is curious how an operative clause of such a sweeping character, throwing an unconditional liability on the treasury,

can find a prominent place in Kautilya whose first care is a State with expanded and balanced finances. There is one stipulation only to the effect that no claims for exemption can be considered, unless fully supported by evidence, as can be understood from the warning that 'those who utter a lie shall be punished as thieves'.

A few words may be said about some of the palpable gaps in Kautilya's account of trade and commerce. In the first place sufficient light has not been thrown on the mechanism of retail sale and its working under controlled conditions. Secondly the question of exploring the determinants of price at the source has not been tackled in all seriousness with deserved attention to necessary details in presenting the trade-policy. It is, of course, an offence not to pay the proper price, but there must be a definite standard for the determination of fair price at all levels. No doubt it is intended that due consideration should be given to customary rates, but even these may be subject to fluctuations. It is the liability of the trader to submit correct returns of costs, including those of procurement. If in the determination of price mutual understanding between a trader's agent and the producer is any factor of consequence, one can never be sure that the price, as shown in the returns, is one that has been actually paid. Local rates are supposed to vary. When commodities of the same variety, collected from different sources, are thrown into a common lump in the market, some system of calculation is needed to fix a uniform rate under conditions, of which a detailed discussion would have been most welcome. Scrutiny with the help of information supplied by the intelligence staff is not an economic remedy for the solution of complications originating from any maladjustment in the technique of trade. Some parts of it have been left unaccented rendering it difficult to judge how the system can actually work in practice as trade moves from one stage to another. It seems that there is no rule to prevent a trader from attempting to exercise personal control over production in his own sphere by engaging artisans on a contractual basis, by having a farm of his own or by subsidising appointed farmers or such other means as giving loans to

producers etc. One can only speculate about such possibilities, but Kauṭilya's reactions to these are not clearly ascertainable. There is a likelihood of small independent traders being gradually squeezed out in the process which probably leans towards large-scale private formations in the business-world. Trade on the whole is treated by Kauṭilya more as a branch of administration than as an economic subject with its niceties inherent in the very system which he advocates.

# CHAPTER IV

## *Labour, Employment and Wages*

The phase of economic development, as pictured in Kautilya, has its special problems of labour, which have been boldly faced and attempted to be solved by legislation, a critical analysis of which throws light not only on the nature of the issues confronted but also the essence of the underlying policy that dictates the measures adopted by the State. There seems to be an implicit realisation that the expansionist trends in the economy in which state-managed farms and factories participate along with private enterprises cannot be supported without a planned organisation of the labour front. The State cannot be expected to adopt a *laissez faire* policy, allowing conditions to drift to chaos and disorganisation.

Broadly speaking, there are two kinds of labour, paid and unpaid. In villages free men who do not own land, and who are also tool-less sometimes, have no independent means of livelihood, and hence remain unemployed unless they are absorbed as cultivators working under farm-owners in exchange for fixed shares of the soil. Labourers are also required for other kinds of jobs connected with the different processes of agricultural operations. Any shortage of agricultural labour must adversely affect production and naturally the interests of the land owning people and also those of the State which has a department of agriculture to look after the management of its own farms As more and more land is brought under cultivation, various forces are likely to operate to complicate the labour question, threatening the integrity of rural economy. Attempts may be made to divert village labourers to other fields of employment by creating unrest among them with a promise of better terms if they leave their present masters. If this is allowed to happen, any village where labour is not surplus may have to face practical difficulties in its functioning as an economic unit. It is in the light of this eventuality that one can understand the *raison d' etre* of the law that declares that actors, dancers, singers, drummers, buffoons and bards are not

to be allowed 'to make any disturbance to the work of the villagers'.[1] This law *may* be supposed to be a safeguard to protect the poor and unwary peasantry as well as the aggrieved labour in the village against victimisation by outside agents acting in disguise. It is believed that helpless villagers are 'always dependent and bent upon their fields', and are, therefore, not likely to leave their fields',[2] if freed from any chance of being influenced by external appeals Again if there is a real labour shortage with no disposition on the part of local employers to raise current rates while avenues of employment are open elsewhere, the movement or withdrawal of labour from the affected area encouraged by interested outsiders to fill in gaps in the workmen's ranks, may assume serious proportions.

Besides free i e , paid agricultural labour, workmen are also engaged in various crafts and manufacturing concerns for wages or other such consideration. Private individuals, corporations and the State itself are among the employers of such labourers who are engaged on terms and conditions, as fixed between them and their masters.

Slave-labour is supplementary to hired labour to a large extent. But Kauṭilya's economy has in an appreciable measure outgrown this form of service. A great step forward is taken in the direction of minimising the prevalent extent of slavery when it is declared that it is a criminal offence if an *Ārya* sells or mortgages the life of an *Ārya*. This rule applies to the strata composed of free Brahmins, Kshatriyas Vaiśyas, and '*āryaprāna*'-Śūdras[3] Thus the imposition of slavery, against which this provision is directed, is found not to be *confined to the Śūdras but extending* to members of the higher castes as well The above mentioned rule applying to all the four castes without any exception raises the Śūdras to the same position as that of the three *upper castes within the sphere of its* operation. The sale or mortgage of the life of a Śūdra, according to Kautilya, is an offence punishable with fine, proportionately less in amount than those imposed in cases where the *liberty* of the higher castes is involved The rates are different[4] consistently with the graded form of citizenship based on differences of status within the frame-work of the caste-system. The *Mlechchhas* form an exception to the rule, which applies to the *Āryas*

only, on the ground that slavery exists as a custom among the former, which is allowed to continue.[6]

Although the scope for the recruitment of slave labour is thus sought to be retrenched substantially by a legislative measure, slavery in some form or other may persist due to conditions specifically noted with evident legal sanction, such as extreme poverty, inability to pay court fines and to recover household implements, etc.[6] As soon as the economic condition causing enslavement improves, steps are to be taken to redeem the slave, particularly if he happens to be an adult and is in a position to be helpful to his kinsmen.[7] This kind of slave-labour lasting for a temporary period is characterised by an uncertainty of tenure, and is for that reason unhelpful to the master for any business in which it may be employed. As the master remains bound to release his slave if he gets his due ransom his expectations as regards the length of the employee's service may not be adequately fulfilled. In the long run there may be a tendency for this kind of slavery to decline in practice.

Although it is declared an offence to sell or mortgage the life of an Ārya on the part of his kinsmen, an Ārya may become a slave if it is a voluntary act.[8] It is interesting to note that an Ārya does not lose his right to some of the privileges enjoyed by his caste even if he has lost his freedom by conversion to slavery.[9] The exercise of this right has been given the protection of law which punishes a slave owner if he makes any attempt to stand in its way. The slave's son is also to be regarded as an Ārya[10] Thus a slave does not lose his birth right, the right of belonging to the caste based on birth.

The circumstances under which a free man of the Ārya community may feel compelled to sell himself as a slave are irremovable so long as conditions accounting for poverty in every stratum of the society are not changed. What Kautilya is not slow to understand is firstly, that it is always an economic pressure which compels a miserable man, be he a Brahmin, Kshatriya Vaiśya or Śūdra, to exchange his freedom for a price, and secondly, that the condition to which he is reduced is not a kind of forcible subjection to slavery

on political or racial grounds. The spirit of racial antagonism which may perpetuate the system is scarcely present as a decisive factor in the laws on slavery in Kautilya. The argument for its retention among the Mlechchhas is that the practice is customary with them, not that the Mlechchhas are to be kept in a state of slavery due to reasons of racial apathy. A slave is moreover allowed to own property which can be inherited by his relatives [11] If he does not leave any kinsman to whom the property can pass on his death it is for the master to take it. He cannot earn any property if he is to be used as a tool always at the service of his master A property can be owned, if it is inherited, self earned or received as a gift. The law empowering him to own property, therefore, by implication, grants him the right to make an income by extra work as well as the right of inheritance or the right to benefit by a gift But if the acquired property is considerable enough to secure a release from slavery, the slave, groaning under the load of his miserable fate, would naturally offer it in payment of the ransom demanded by the master rather than leave it as an inheritance for his kinsmen and die a slave in their interest Whatever he does with his property, the fact that he is given a right of ownership, however limited it may presumably be in view of the relationship existing between himself and his master, brings him a sense of dignity and concedes to him an economic status even as a slave, to be used by him according as he pleases It is probable that a slave, if he wants, may be given a chance to earn a little by practising some kind of handicraft which he has learnt outside his hours of duty, without having to move out of the area to which he is confined. It is not to be understood that this chance can be easily obtained in the situation in which he is placed Even if he owns something, he cannot possibly have as good a chance of dealing with it as a free man has through such transactions as sale, mortgage, investment for profit, etc He cannot possibly serve as a slave under one master and as a free man under another to make an income For the condition of slavery restricts his freedom of movement to his owner's establishment to which he is by law bound to be attached [12] But probably a door is kept open for his emancipation if he steadily works

for this object by accumulating small savings in ways approved by his master and allowed by law, which may finally equalise in his life-time with the ransom needed for ending his bondage

In the ultimate analysis it may be found that the relationship between the slave and his master has elements allied to those of the debtor creditor relationship in one of its extreme forms. The slave himself or his relatives who have sold him or mortgaged his life may be conceived to be in the position of a debtor If and when the debt is cleared i e, the ransom paid, the slave is to be restored to freedom, otherwise the condition of bondage continues The slave cannot be made to do things which are supposedly not in the original understanding. The master, for instance, cannot employ his slave in any 'mean work', such as carrying the dead, sweeping ordure, urine and the like or the leavings of food, etc [13] So far as the form of his service is concerned, he has been raised to the status of a human being, not markedly distinguishable from that of a free labourer. A practical realisation of the economic value of his service has shaped the angle from which his obligations are to be standardised in the field of his employment without prejudice to innate personal dignity which he does not lose as a consequence of enslavement. The law further provides against the use of physical force or abusive language, affording protection to a slave less than eight years of age, against employment in any work for which he has a dislike, or sale or mortgage in a foreign country.[14] The master on his own side is protected by statutes which require the slave to remain bound to his quarters, not allowing him to run away and win freedom by cheating his owner without paying the required ransom. If what is given to purchase a slave is to be treated as a form of loan, it is not against any credit which is nil in the present case but against the life or person of the enslaved individual Slavery is not ended automatically on the completion of a stipulated period of service, but is terminable only with the payment of the ransom As the slave can have something to own as his personal property, however insignificant it may be, under conditions of servitude, the exploitation of his labour or services by the master has been set a limit, thus permitting him to work in spare time for an income,

though this extra activity must be presumed to be confined within a circumscribed range. If his relatives are men of some means whose property, whatever it is, he is allowed to inherit under the rules, why do they not help him with the ransom? With maintenance and accomodation provided by the master and with the security provided by law against physical violence, which also guarantees non-interference with his duties as a member of the caste to which he belongs, a *dāsa* may feel persuaded to believe that life cannot be made more agreeable for him with the termination of his state of slavery. But when a slave is given a right of ownership, ultimately it may lead to problems complicating the relationship between him and his master. At any rate if the latter wants the slave to continue his service in his own economic interest, while the slave is in a position to secure his release from bondage, he may by a bargaining process succeed in winning his consent to a liberal interpretation of the permissive clause in the law relating to acquisition of personal property and its use, to a practical advantage to himself. The son of a slave being allowed to inherit his paternal property, the slave's family is enabled to enjoy whatever benefit it may bring, at least it may help him perform the funeral rites in accordance with the caste-rules which apply to him.

The redemption of an Ārya temporarily enslaved through his kinsmen is as quick as circumstances permit. As soon as the necessary consideration is available it can be brought to an end. The manumission of a slave is always possible, leaving no choice to his master, when his restoration to freedom is demanded in exchange for the ransom. The question of ransom apart, if a son is begotten on a female slave, both the child and the mother must be set free.[15] The master's use of a female slave for sexual pleasure is not a part of his purchased right. The law against the master shows that physical intercourse which is outside this right is not permissible except for a consideration. The claim against him is supposed to be well-established when a child is proved to be born out of such union. Neither the child can be doomed to slavery to the advantage of the master as he is not given any right to procreate slaves in this manner.

In Kautilya there is a definite effort to formulate a policy applicable to wage-earning labourers, on the basis of a realistic understanding of the economic relations of a specific character. The emerging policy, to be just, must appear to be one that is without any reservation in the special interest of the State as a capitalist, the State itself being involved as a party in labour legislation equally with private farmers, merchants and industrialists The policy, as shown in Kautilya, is a true reflex of the economic complexion of the connected body-politic, and also an authentic indicator of an attempt to balance the rival and delicate interests of the parties concerned. As the State in Kautilya is engaged in various branches of trade and commerce, industry and manufacture, besides enjoying certain monopolies of a highly profitable character, the private sector is naturally faced with a competition, and further difficulty may be thrown in its way if the legislation is one-sided As there is no sign of such a course being adopted, it may be concluded that the State has no intention to work for a programme of more extended socialisation of its type to be achieved by preferential treatment of its own interests as against those of the individual competitors in prescribing regulations for the conduct of relations between employers and employees. The State appreciates the fact that the private sector is a source of strength to its economy. Even when it is placed in a privileged position as a monopolist, it invites private co-operation for a proper utilisation of its reserves.[18] Labour legislation in Kautilya is a contribution towards the maintenance of a system of relations which can work along planned lines with the just interests of the employer and the employee settled, irrespective of any distinction between the State and the private capitalist insofar as they are connected with the employment of labour. The word 'just' means in this case what is found irreducible in the terms to be provided in law. Thus wages may be low, judged by any standard but what is required is that the remuneration due must be paid. No principle is laid down in labour regulations, requiring the raising of the standard of living of the labouring classes What is aimed at by labour legislation is that neither the employer nor the employee should lose whatever is legally due to either side according

to the current or agreed standard Whether the employer makes a large income or not is not a question at issue, the workman engaged by him must get his wage. Similarly, the former is equally liable to render his service according to the terms of the employment.

Labour requlations differentiate skilled labour from ordinary labour to fix wages accordingly, uphold the liability of the labourer to perform his stipulated duties, also that of the employer to pay the wage as agreed upon or as settled, and finally create an effective machinery for the settlement of disputes between labourers and employers. It does not appear to be a function of the State to fix or prescribe any standard of wages on grounds other than those of lawful usage or agreement. What it insists on is an attempt to be made to determine the precise extent of the mutual liabilities of the employer and the employee in respect of the execution of the task undertaken, by a detailed and thorough study of the circumstances attending it, so that no loss can possibly accrue to either party through breach of terms by the other

The law contemplates a twofold arrangement for the payment of wages according as the contract is with workers individually or collectively.[15] In the former case every individual labourer receives his wages from his employer for the work assigned and carried out, in the latter the payment is to be made to a group of labourers employed for the purpose of executing a definite work in a collective capacity, each getting his dues as settled between himself and the rest. The employer does not seem to be directly involved in the question of the fixation of wages of individual labourers thus employed on a collective basis, nor does he probably have to settle what each will have to do, worry about the question of the qualifications or fitness of any individual worker, or fix the number of men to be employed. The contract is with a whole body of workers who collectively undertake to do a specific job within a prescribed period, for which a lump sum is to be paid, representing the aggregate of the wages due on the completion of the work. It is possible that in such cases the agreement is between the employer and one representing the workers to be engaged. This representative seems to be one

of the workmen employed and not of a type of middleman, a sort of contractor thriving on commission due to successful negotiation for an agreement between labour and capital. Under this arrangement a workman has a greater chance of receiving just what is due to him for executing his part of the work undertaken by the collective body to which he belongs than under conditions where the capitalist cannot directly contact the particular type of workers needed for his business and every settlement may have to be made with the help of professional contractors, undertakers or agents who may try to get something from everybody and thus squeeze out of the worker's small wages some percentage as a reward for his help in tendering him a job.

The rules which are laid down for the settlement of wages in the Government department of weaving[17] are probably generally applicable wherever a distinction has to be drawn between skilled and ordinary labour A uniform and flat rate of wages for labourers of all sorts is impracticable in an advanced economic condition where commodities of various gradations of value representing different kinds and degrees of manufacturing skill are produced and used by consumers The wages of a labourer cannot but be dependent on the market-value of the article produced The latter again depends on the cost of its production, including the cost of material used Thus the settlement of just wages is a complicated matter depending not only on the skill of the worker employed but also on the total outturn of his work, i e both the quality and quantity of the job completed by him The principle governing the determination of wages can be understood from the passage quoted below, containing relevant directions for the guidance of the Superintendent of Weaving —[18]

"Wages shall be fixed according as the threads spun are thin, coarse, or of middle quality, and in proportion to a greater or less quantity manufactured, and in consideration of the quantity of thread spun, those (who turn out a greater quantity) shall be presented with oil and dried cakes of fruits".

Two basic factors are thus involved in the fixation of wages first, the quality of the material used in the manufacture,

and second, the amount of performed work. If the quality of the material is high, its value must also be proportionately high and the skill required in handling it for manufacturing purposes, technically competent. The quality of the material is of a threefold order: fine, coarse and middle. The workman's skill in relation to the quality of these three varieties is also of three corresponding varieties. Wages are to be in proportion to these three categories of labour but payment is to be on the basis of production. In the first place there are different rates of wages for labourers, related to the three different varieties of threads used,—coarse, fine and middle. Secondly, there is no uniform rate even for all spinning the same variety of threads Here the rate of payment fluctuates according to the amount of work done i e, the quantity manufactured. A basic rate need to be fixed for minimum work, which serves as a unit. If the quantity of work increases the amount of the remuneration will also correspondingly increase, but any such increase in wages has to follow one or other of the basic rates fixed for every unit of manufacture in respect of the three specified varieties of thread. It does not appear to be the practice to fix wages having exclusive reference to duration of labour or hours of work But in settling wages one of the determining factors, as already mentioned, is the amount of work performed. Special technical skill, which is to be rewarded is of a twofold character it is to be shown in the ability to manufacture threads of superior quality, and secondly, in the facility of output. Although wages may not be fixed in relation to hours of work in all cases, the time-factor cannot possibly be altogether ignored in an industrial organisation. In fixing the unit of work for purposes of wages, the length of minimum time required on an average for its accomplishment seems necessary to be taken into account. When competition in regard to volume of output is so much encouraged in practice, it will be impossible to determine who loses or who wins in this race unless calculation is based on the time taken by each labourer in the production of his work. Business cannot go on properly unless it knows what amount of production it will require within a given time. The system therefore is to pay wages according to the amount of work completed within a certain period.

It may be noted here that the details discussed above are in connection only with the weaving industry run by the Government. Other industries may not have to deal with materials of similarly standardised varieties The determination of skill will not in their cases be dependent on the same principle of differentiation as in textiles But an industry may consist of different inter-related processes, some comparatively difficult, requiring different degrees of skill and efficiency on the part of the workmen to be employed. Thus within the same industry wages may differ according to the skill shown in the execution of its component parts. Moreover, as between two different industries, workmen attached to one may on the whole receive more wages than those employed in the other for the obvious reason that the former produce articles of greater market value and work on more precious material than the latter. Thus the economic system which encourages individual skills of workmen must embrace every branch of industry as it grows in complexity, and produce differences in wages, allowances, etc The development of mechanical or technical skill, though understandably slow and tardy, tends to produce a result which may bear some resemblance to the effect on employment position of the application of labour-saving devices in modern times The number of labourers otherwise required to be employed diminishes as the machinery grows in efficiency, needing less of human labour to work on it for a greater volume of output within a shortened period in which, without the improvement effected, at least more workers will have to be employed to get the same quantity of result. In that case the greater the skill of the craftsman or artisan the greater will be the output. As every industry quantitatively has its natural limit of expansion conditioned by the law of demand and supply, if the required number of men possessing the necessary skill in a particular craft or industry is available, those who are unable to compete with them will be forced to withdraw from it and swell the number of unemployed or fill the ranks of unskilled labourers with wages appreciably reduced

We have referred above to a system of competitive wages, under which a considerable number of workmen seem to be employed in the

*weaving department.* There is another system working simultaneously with it under which artisans are employed on a basis which bears the appearance of a contractual one. They are required to turn out a given amount of work within a specified time for a fixed amount of wages Only those qualified to do the required work are to be selected This system is free from that spirit of competition which dominates the other and under it, unlike the other, there is no uncertainty as regards the quantity of work to be completed by sets of labourers possessing different degrees of skill within a certain period of service. Men may employ themselves not knowing beforehand how much they will be able to manufacture But according to the terms and conditions as settled under this kind of arrangement the quality of labour, the amount of work the duration of labour and the amount of wages are mapped out in detail prior to employment. Whether labourers are engaged on these terms or on terms varying according to degrees of skill, no calculation can proceed unless the time required for doing a job is more or less definitely known. That ordinarily a labourer does not have to work on all days is clearly shown in the rule which provides that extra benefit can be earned by him for work done on holidays [19] This provision may give some recognition at least to poor labourers working in the weaving department of the Government whose income during working days needs to be supplemented and who are not sufficiently skilled to be otherwise entitled to any extra advantage. There is no reason to doubt that the privilege to work on holidays may be extended to all classes of labourers where there is a demand for increased production.

The rule for labourers is ordinarily to work at a fixed place. This *rule is only relaxed in the case of women, employed by the* Superintendent of Weaving, whom social custom does not allow to leave their homes and work outside in association with others to whom *no such restriction applies* Workmen *forming* their own *groups* have to be engaged to work together at a fixed place so that they may be conveniently subjected to necessary official supervision with a view to the prevention or detection of theft, neglect of duty, etc. It is laid down that they must not without permission leave or take away anything from the factory or the place where they are employed [20]

Payment of wages is to be made at the end of the work undertaken or at any time earlier in proportion to the work already carried out The rule in this respect is definite requiring cultivators or merchants to pay, either at the end or in the middle of their cultivation or manufacture the cost of labour in terms of the work executed This rule does not contemplate any payment in advance [21] Cases where payment is to be made on the completion of a work, are those which concern among others artisans who undertake to 'turn out a given amount of work in a given time and for a fixed amount of wages [22] It is not clear if it is possible for such artisans to demand part payments consistently with the progress of their work from time to time Where the undertaking is to carry out a definite piece of work within a certain period any payment made before it is completed may affect the employer's interest by taking away the employee s urge to finish the rest within the allotted time. Legal remedy for any breach of terms or state assistance in settling disputes between labour and capital is, however, always available Hence even if part payments may be made in cases mentioned above, the interests neither of the employer nor of the employee will ultimately be in jeopardy, for the law undertakes to protect the interests of both It is said that a servant is to be treated as an offender liable to be fined if he neglects or unreasonably delays finishing the work for which he has received wages and be compelled to keep himself engaged till it is completed [23] If the kind of advance payments mentioned here is taken as including those made in the middle of the work, no conflict will appear to exist between this statement and the provision which permits payments during the progress of a work undertaken If, however, the suggestion is that wage or any part of it can be paid in advance even before it is earned, the leniency, if widely practised, will give an undue advantage to the labourer over his employer, and may prove a source of endless disputes It seems probable that only in exceptional cases payment in advance may be found necessary Thus for instance it may be imagined that when a particular labourer has no money to buy his clothing or have food for himself and his family, or has

got some liability which must be cleared before he can take up the responsibility, the special circumstances mentioned may induce part payment of wages in advance in view of the value of his service. But such a course will be impracticable where a person employs large numbers of men in his business. The generally approved practice appears to be either to pay wages on the completion of a work which the labourer has taken up, or to make periodical payments to him in consideration of and in proportion to the amount of work actually done. Wages will thus appear to be fixed for a work taken as a whole, in which case it may be treated as consisting of parts corresponding to a like division of the wages fixed prior to appointment. On the completion of each such part, a proportionate share of the wages can be demanded and paid, but probably this system of payment is not intended to work except in cases deserving special consideration, the custom usually being to pay only after the whole work is accomplished within a given time. The other system is to pay wages by stages as the work proceeds, the employee's liability to work for the whole period required for the completion of the manufacture remaining without any modification. The Arthaśāstra seems to know that by engaging a workman for a number of hours the employer may not be assured that he will put forth his maximum exertion in the task allotted to him. The employer may even get much less than the value paid for it, hence the quantity of work done is to be taken into serious consideration in settling the employee's dues This may serve as an incentive to hard work since the more the output, the greater would be his wages Any such settlement, however, cannot possibly work on a general scale unless employees in an industrial concern are required to be engaged on every working day during a specified period An employee may under such a system do more or less work according to his will, skill and capacity, and receive wages differing in amount, as determined by the quantity of his production for that period Wages paid in accordance with this system depend on the quantity of work produced in an appointed period of time. The value of such work must be determined by market-conditions current at a given time, and whatever the product of labour, large or small, it has a fixed value of which the wages form a part It is obvious that where

large numbers of men are engaged under this system they are paid their wages at the end of a settled period,[24] and are given just what is due to them individually for the amount of work done during that period as the manufacture of commodities proceeds Even under this arrangement a close supervision is to be exercised over the employees so that they may not neglect their work. For although payments depend on the quantity of work, a capitalist employing a certain number of people to get a thing manufactured, cannot, in the interest of his business, ignore the necessity of the commodity being manufactured within a reasonable time. Labourers may choose to be idle or go slow, but for him it is of the utmost importance to keep within the limits of estimated cost (of which labour is one of the constituent factors) and time.

The wage system advocated in the Kautilya shows a threefold variety:—

(1) Dues paid to employees on the completion of a work undertaken by them to be finished within a given time and for a definite amount of wages,

(2) Wages paid to labourers while commodities are being manufactured, which are to depend on the quantity of work done by stages during a certain period, indicating a system of periodical payments.

(3) Payment in advance either for the whole job undertaken or a part of it (with the workman's liability to complete the rest).

Payments can be made either individually to each labourer or collectively to a number of labourers working as a group, who, on receipt of the wages, will divide them among themselves according to their own plan of distribution.

Both the employer and the employee are given necessary legal protection. The Arthaśāstra realises that the interests of employers and employees cannot be identical under a system which recognises profit-earning as a lawful pursuit for the former, while giving the latter the right of getting wages only and no share of dividends The labourer lives by giving his services in return for wages, the employer is a capitalist bent on making profits out of his investment. From this

standpoint the society has two sharply divided classes, viz., employers and employees, capitalists and labourers Disputes are bound to occur between them over various issues connected with their mutual relations. Legislation for the settlement of these disputes is, therefore, a vital necessity, specially because the State itself is an employer of labour, bent on making profits out of the various industries owned and managed by it, and also no less interested in the proper working of private enterprises as they bring revenue through various channels.

The relation between an employer and his employee rests on an undertaking by the latter to execute a work, and by the former to pay him his dues after it is accomplished, or an undertaking by the employee to work for a certain period at the end of which he is to be paid wages in accordance with the amount of work completed by him Both the employer and the employee are equally bound by the terms of an undertaking, which are to be specific in regard to the nature and quantity of the work to be taken up, as well as the amount of wages payable for it. These terms will be violated if an employee having entered into an agreement fails to take up or carry out the appointed work without any reasonable excuse, or if the employer refuses to accept the work done by his employee or let him continue his service as previously settled or to pay the remuneration due to him for his labour. In all such cases law comes to the protection of the aggrieved party [85] But no settlement of a dispute of this kind which calls for legal intervention is allowed without a detailed examination of the relevant circumstances The motives of the parties involved as well as the circumstances attending the alleged breach of terms are to be investigated before any decision is given in a dispute arising between employer and employee.

As already stated, a labourer having undertaken a work and received payment in advance is to be punished with a fine if he neglects or unreasonably puts it off Here the offence is a serious one because of the prior consideration received by the employee. The receipt of a payment in advance imposes upon the employee an inescapable liability and is a definite proof of his acceptance of a responsibility. An employee who is in this way bound by the

terms of an agreement cannot lawfully go elsewhere for work without completing the task to which he stands committed. This rule gives an effective protection to the employer.

Where a labourer has been actually engaged he is also liable to *work according to the terms of the agreement with his master.* But exceptional circumstances like illness or an accidental calamity may go in his favour to a certain extent, and induce a generous consideration of the complaint lodged against him. He may be required to get the work done by a substitute.[26] Any delay caused by the inaction (in the execution of the work) of the labourer in such cases, is not to be tolerated, for that will surely mean some loss to the employer for which he cannot be held responsible. This *is to be made good by the substitute doing extra work for the* employer. In this manner the employer's interest is to be safeguarded as much as possible in the circumstances arising out of the default of the employee either wilful or accidental Where the default is due to exceptional reasons the only concession shown to the defaulting employee is that he is granted exemption from payment of fine. Where it is utterly impossible for an employee on any of the grounds mentioned to continue the work himself or furnish a substitute, the step to be taken in the matter is not indicated. *As some concession is to be made in the treatment of cases* where default is due to circumstances beyond practical control, it is probable that an employer may have to suffer some loss where no remedy is available in any form whatsoever.

The employer's liability is equally enforceable against him for any wilful default on his part[27] In determining his liability the terms of the agreement must be carefully studied If the agreement embodies a condition that the employer is to have his work done by a particular employee and none other, he cannot be allowed to engage a different *worker for the same job.* Where *there is such a condition,* it will be equally unlawful for the employee to take a job elsewhere. The agreement in such cases is of a mutually binding character, for it entails upon both the employer and the employee the liability to remain attached to each other. It seems that such an agreement to be valid must be free from any ambiguity, with the condition mentioned that

both the employer and the employee remain bound not to leave each other till the work is completed. It may be presumed that in the absence of such a stipulation the employer, who has no complaint against his employee, to be referred to for adjudication in a court of law, may excuse the latter's inability to join or continue his duties, and appoint some one in his place. Similarly it may be open to an employee also to take up work elsewhere, if by doing so he does not cause any loss to his present employer. Otherwise the employee's obligation to finish a work is serious enough, he cannot put it off without any lawful reason, or neglect it in any way, any default on his part is a punishable offence. In exceptional cases he may be let off if he can provide a substitute and also proper compensation in the form of additional labour. But where the agreement explicitly particularises both the employer and the employee for a specific job, it is impossible, so long as the agreement lasts, either for the employer to engage another man or for the employee to join an appointment elsewhere.

Irrespective of whether a labourer is neglectful or unreasonable in putting off the work of his employer, or is ill, or otherwise incapable of performing his duties, it is generally held that a labourer, if he does not do his employer's work, he is to be fined.[28] As this gives a general protection to the employer who has only to prove non-performance of duties and not necessarily its cause under the provisions of the rule, the employee too finds his interests well protected when the law declares that the employer is bound to accept the work done by him and pay him the wages due on that account. Having appointed him, he cannot usually refuse to accept his work, but if a dispute arises the onus lies on him to show cause. There is, however, a difference of opinion as to whether it is obligatory in all circumstances on the part of an employer to retain the services of a person appointed by him when the latter is prepared to honour his part of the agreement. Some are of the opinion that the obligation is so definite and effective in nature that the refusal of the employer will make no difference, since he is bound to regard the employee, whose work he may not avail himself of, as having actually carried out his appointed duties to be duly paid for.[29] But

Kautilya insists on a full examination of the reasons for which an employer may be led to refuse to accept an unfinished work [30] The first principle advocated by him in this connection can be summed up in the phrase no work no wage Thus in a case where an employee has not actually done any work under the agreement although he is fully prepared to do it, it cannot be claimed as a matter of right that he is to be paid his wages as if the work has been executed The second principle is that if the employee has already done some part of the work he must be paid not only for that part but also for the rest if he is willing to do it notwithstanding his employer's refusal Both these principles are to be applied in ascertaining the actual liability of the employer on the basis of all the circumstances connected with the particular matter in dispute The second principle, for instance can not be put into operation in a case where evidence shows that the refusal on the part of the employer to accept the employee's work is not due to any personal reason for which the former may be held liable or responsible but to a defect in its performance or to conditions in respect of time and place not being adhered to possibly bringing in a new element that modifies the character of the original agreement, in the light of which the employer s subsequent conduct is to be examined The same principle is also imperative in a case where the workman if not restrained is likely do more than agreed upon and thereby entail loss to the employer The difference between the policies respectively advocated by Kautilya and his preceptor lies in the fact that while the latter is somewhat liberal and less critical in its sympathy for the employee, holding him lawfully aggrieved wherever his intention to serve and the employer s refusal to be served is proved the former no doubt insists on these conditions being looked upon as giving rise to a dispute but in add tion requires further proof to establish the guilt of the employer by a thorough investigation into the circumstances accounting for his refusal to accept the employee s work The rule recommended in Kautilya thus gives an employer every opportunity to adduce the grounds of his rejection so that these may be taken into account in ascertai ing whether he is actually liable or not to give satisfaction to the aggrieved employee in terms of the second principle laid

down in Kautilya Kautilya's theory thus does not admit that where there is an agreement there can be no ground whatsoever sustainable in law on the part of the employer to cancel it if only the employee is ready to abide by the terms of his undertaking The other theory is extremist and categorical, and is definitely pro labour insofar as it does not allow the employer to put in a defence, to take the plea and prove it by evidence that his conduct is justified Kautilya stands for a rational adjudication based on a detailed examination of facts in every individual dispute of this type

As regards wages these may be settled in four different ways — (1) by an agreement between the employer and the employee (2) by the evidence brought forward by neighbours as witnesses to an agreement that may have taken place, (3) by reference to local custom and usage, (4) by the application of a standard either fixed by the State or by appointed experts, and lastly (5) by taking into consideration the amount of work done and the time spent on doing it with a view to payment in accordance with customary rates The last three methods for the settlement of wages are to be resorted to in the absence of an agreement directly between the employer and the employee It seems this agreement may be either written i e provable by the production of some definite kind of documentary evidence or oral in which case the evidence of witnesses is to be examined A direct agreement is possible as freedom is given to both the parties to settle terms mutually acceptable But where there is no agreement wages have to be settled by other means, such as those mentioned under items 3 4 & 5 In every such case the amount of work actually done and the duration of labour involved have to be considered Hence what has been suggested in item 5 is more in the nature of an illustration of the process to be applied in the settlement of wages not fixed by an agreement between the parties involved, than an independent method by itself That process has to be applied in every case where no agreement exists When full evidence has been taken as regards amount of work and amount of time the remuneration due to an employee has to be determined either with reference to customary rates (3 & 5), or standard rates

(4) recognised by the State or fixed by experts in respect of certain forms of labour. The rates fixed by experts will have undoubtedly to be based upon the knowledge of the scope, condition, etc, of the particular industry with which the employee in any given case may be concerned. It is, however, not known upon what specific basis the calculation of the labourer's dues is required to proceed at the hands of an expert, what standard is to be applied in determining the cost of labour in proportion to other costs, or profits allowed to a capitalist-producer of commodities, etc. It does not certainly need the services of an expert to find out what the locally current rates are Taking of expert advice seems to be suggested in unusual cases where something more than a merely formal ascertainment of current rates is required, for instance, where an industry has been started in a locality which does not contain another of its like or where business is of a more complicated character, a detailed examination of all its aspects may be necessary to arrive at a reasonable standard of wages for the labour employed. In the use of expert advice recommended lies the possibility of elements other than conventional, being recognised and introduced into the calculation of rates which cannot remain static in changing economic conditions. But whether it is possible for labour to secure higher wages, depends to some extent on whether it is in a position to make a strong claim by virtue of its utility and co operative character. The State applies fixed rates in regard to three forms of labour only, viz., agricultural labour, the labour of a herdsman and the labour of a trader.[31] The rates allowed are $\frac{1}{10}$th of the butter clarified as well as of the 'crops grown' and $\frac{1}{10}$th of the sale proceeds, allowed respectively to a herdsman, a cultivator, and a trader, while artisans, musicians, physicians buffoons, cooks and other workmen, serving of their own accord (i.e., not slaves, but hired labourers) are to obtain as much wages as similar persons employed elsewhere usually get or as much as experts shall fix' It will appear that wages for professional and industrial classes are to be either in accordance with current rates or rates approved by experts, while labourers, mostly agricultural, are to be paid according to the rates permanently fixed by the State. In the latter case the rate is,

as fixed, in the absence of an agreement between the parties concerned in proportion to total production In industry also, any rate offered must be understood to be in some proportion to the value of the manufactured article. Where a commodity is the product of associated or complementary labour involving co ordinated processes in its manufacture the earmarked cost of labour may be supposed to be divisible among the artisans employed, each receiving his portion according to his work. But probably the principle of calculation suggested, no matter whether one workman or more are engaged collectively, the total estimated cost of labour being more or less a fixed amount, is that wages have to be distributed among all the workmen engaged in proportion to the value of their respective work, skill and efficiency, etc. The rates of wages for industrial and professional labour are not such as can be standardised by the State or stereotyped with the same degree of rigidity as in the other forms of labour mentioned above, they are subject to fluctuations which are within the knowledge of experts. But the main principle guiding calculation of wages by experts for some forms of industrial labour may also be the same, viz , a fixed share of the value of total production earmarked as cost of labour. The various provisions of the law for the settlement of wages establish beyond doubt the compulsory character of any award to be made either on the basis of customary rates, or rates fixed by the State or by experts Both the employer and the employee are bound to accept the terms thus fixed. A certain uniformity in regard to the standard of wages is thus sought to be maintained. The State, however, enforces the terms and conditions embodied in private agreements whose freedom is not restricted by any measure. The question may be asked —if, where there is no agreement or evidence to prove any agreement, the State enforces standard rates or rates fixed by experts, why does it not declare that it reserves the right of scrutinising, at the invitation of either party, rates settled in a private agreement between employer and employee and of cancelling or modifying them if they are in conflict with standard rates? This will be only a logical step for the State to adopt with its clear interest in matters relating to labour and wages. The freedom given to employer and employee to settle the question of wages leaves some

room for haggling and private understanding, which may be unfair to themselves as well as to others engaged in similar trade and industry, giving rise to a competition in respect of costs and profits. In reality, however, with the progress of economic condition the probability of such competition must become gradually reduced and a fair approximation to standard rates a rule rather than an exception even in the drawing up of a private agreement.

The State sets up a machinery for the investigation and settlement of disputes specially where artisans and their employers are concerned There is a standing committee appointed by the State, consisting of three *Pradeshtris* who are entrusted with the task of removing thorns, i e., obstacles in the path of peace.[32] The old machinery for the administration of justice is not always suitable for the purpose of expeditiously dealing with all kinds of disputes and troubles commonly found in a society which has far advanced from its primitive organisation and form, being composed of conflicting elements and interests, where a balance has to be maintained through rules and ordinances framed solely to serve secular causes Something more than a mere knowledge of the country's traditional law and experience in its administration is needed, the object in the changed order of things being not simply to investigate an offence and punish the offender according to the age-old fashion but also to prevent the commission of an offence and the occurrence of a disturbance, due to divergent interests of labour and capital, employer and employee. The older code of law with its sacerdotal, socio religious bias is not adequate for application to conditions growing out of the new relations being formed on the basis of industrial expansion and development. The State has to frame rules and regulations, reflecting its policy in regard to trade, commerce and industry, conduct of business, mutual relations between employer and employee, internal organisation of guilds and corporations, joint and individual liability of workmen, standards of wages, etc. A detailed and specialised knowledge of these rules and ordinances is required, and for their practical application an expert study in the technicalities of crafts and industries to which they are related, is also of essential importance Besides, the usual

procedure of an ordinary court of law is not suitable where a quick decision is to be taken for the prevention of a disturbance Matters, concerned with employment, wages relations between employer and employee, etc, are not like ordinary subjects of dispute affecting only two individual parties, the offender and the offended On the other hand they represent a clash of interests peculiar to a society whose scope is much wider to be attended to and settled with expedition to avert any pressure, incipient or threatening, on its economy with a growing emphasis on industry. It may be noted here that the tribunal set up for the purpose is expressly charged with the task of settling industrial disputes, for they are to be concerned with the artisan classes [33] If the term artisan is not to be understood in a wide sense including workmen of every description, which seems improbable, the institution of the Commission is a measure taken by the State to deal with the problems of industrial labour, working mainly on tools, and in factories, as differentiated from purely agricultural or professional segments of labour. The functions of the Commission include those of an advisory body. In this capacity it is specially concerned with the security of deposits to be made by guilds [34] Amongst persons who may be considered worthy of holding such deposits in their custody, are reliable and enterprising artisans who are probably expected to make a proper investment of these deposits in building and expanding their own crafts and industries The *Pradeshtris* have also to be in touch with those who are in a position to help artisans with practical advice and instructions The deposits are however, to be returned when the depositors are in extreme trouble The Commissioners probably have to prepare lists of men or associations who can be relied upon to function as depositories. In any case the State's active interest in private investment in the field of industry and manufacture is clearly in evidence, as well as its vigilance over individuals acting as depositories On the lines as indicated above an important step is to be taken by the State for safeguarding one of the vital interests of the industrial classes Guilds if they have to deposit their valuables, can do so with persons of established reputation as certified by the State.

The other useful function of the three ministers who act as a body of *labour commissioners*, is to enforce the carrying out of an agreement entered into between an employer and his employee, the latter being required to carry out the assignment in full accord with the terms of the agreement as to time, place and the nature of the work undertaken.[35] No deviation is to be allowed in law, except under circumstances over which the employee cannot reasonably be expected to have any control It is evident that the law requires an agreement to be proved There is no action if no agreement can be proved But if there is a valid agreement, its terms are to be fulfilled with unvarying exactitude. If a loss accrues to the employer on account of any delay made by the employee in doing his work, if not due to an exceptional cause, it is to be made good with a fine or a forfeiture of the wages The offence in such a case may arise out of the violation of the conditions regarding the time-limit by which the employee is bound. If the employee's undertaking as to the nature of the work to be produced or carried out is not respected in performance, his liability will be greater he will be compelled not only to forfeit his wage but also to pay a heavy fine. The commissioner's duty is thus two fold —it has to give sound advice to artisans regarding their financial well being, secondly, it has to protect the employer s interests by insisting on a complete performance of the work undertaken without any deviation from the agreement entered in respect of the terms relating to the time (i e , perhaps the date of joining and the period in which it is to be completed), place (where the work is to be done) or nature of the work.[36] The liability of the employer to pay all that is due to a workman in the shape of wages etc , is equally enforceable and is implied.

It appears that the housing *accommodation for workmen* is a matter of concern for the State and the provision relating to it forms an integral part of city-planning [37] It is laid down in the chapter dealing with the construction of buildings in the capital that 'families of workmen' may be provided with sites befitting their occupations and field-work. The reference here seems to be to those workmen who are in the employ of the State, and the housing accommodation for their families in the capital But obviously the

State's responsibility in this respect cannot be of a regionally limited character but must be presumed to extend to other prominent centres of administration as well. There is, however, no indication that private industrialists and other employers of labour (excepting probably domestic service) are under any legal obligation to furnish their employees with quarters

On a general review of the industries,[38] described in Kautilya, they appear to show in their progressive phases a decided trend towards advance in specialisation, improvement in production, both quantitatively and qualitatively, increase in the number of types and varieties of manufactured articles with insistence on the aid of mechanical devices (*yantra*) wherever available. The drive for expansion leads to the widening of the field of employment with inconsiderable chance of being appreciably affected by mechanisation in scientifically backward ages The field thus growing to its natural dimensions is not one of an undifferentiated mass of labourers and artisans, but divided into different sections representing differences in technical skill and training, efficiency in productive capacity, as well as types of services Supply of labour to match with the growing prospects of an industry is a pressing problem. A difficult situation may arise when, with all other resources available, an industrial concern is yet unable to develop, as planned owing to inadequacy of labour supply Nothing, however, should be done to disturb or reduce agricultural production , the age long pattern of economy in rural areas is so strongly upheld that there seems to be no encouragement to any move to back up urbanisation or industrialisation by a policy of forcing elements of village-population out of their traditional moorings to remove labour-deficiency in the interest of larger industrial undertakings. The plan of building new villages by settling surplus population, brought from overcrowded areas, shows what attention is paid to the utilisation and development of available sources of production of raw materials Rural economy, if properly developed, may be supposed to be capable of furnishing some manufactured articles for wider consumption But with difficulties of transport facing this procedure, and for various other reasons, it can afford only a partial remedy in removing the handicap. A dynamic State knows

its own method of attracting immigrants from other countries if it has sufficient room for their useful employment[39] If the method succeeds it may contribute to the solution of the problem of labour shortage to some extent, but the State will naturally be most anxious to absorb the infiltrated elements in the interest of its own planning for the public sector and other economic undertakings. The special difficulties, experienced by the private sector, may not in the circumstances have an equal chance of being relieved. For another reason the problem of labour-shortage is aggravated to a far greater extent in private firms and workshops than in state-managed concerns. With the liberalisation of the rules of slavery, preference for slave labour becomes meaningless in the practical field due to the legalised exclusion of many from the range of permissible enslavement as well as the strictness with which the protective clauses operate to the benefit of slaves already in employment. Some rules do not obviously apply to the State owning slaves, for instance, the one that requires a female slave to be set free if a child is born out of illicit connection with her master. Then, again, for a private owner it may not be easy to track out a runaway slave, punish him and get him back to work. If he fails to do so, it will have to be counted as a loss. Moreover, the range commanded by the State in securing its needed supply of slave labour, is, as it should be under the circumstances, reasonably wider than the one open for exploitation by a private individual or a group of individuals to provide for expanding business. For instance, the State is in a more secure position to review officially cases of persons unable to pay fines, or captured in war, also of others like the *mlechchhas* to whom the anti slavery rules do not apply, in its drive for recruitment of slaves. Then there is one point arising out of the commitments and liabilities involved in the relation between a slave and his master, which cannot be explained by simple arithmetic. The rule is that whenever a ransom is paid, the slave is to be emancipated. If the ransom covers only the price paid to own a slave, the master does not get any interest on the sum thus invested in the absence of a provision fixing the minimum duration of service on the basis of the calculation of the wage which may have been paid to him if he were not a slave The master also

rules or in the workman's case for the fixation of his wage. When a dispute is investigated, only the agreement is examined and no extraneous factor. There is a way of judging what remuneration is just, but this way is not shown as being built by a class-struggle. It is quite possible for a labourer to haggle over remuneration. It is not within the power of an employer to compel a man to work for him on dictated terms. While terms are discussed, those who offer better and more acceptable terms are naturally to be preferred. But no employer will agree to pay more unless it is to his interest to do so, except specially when the nature of the labour to be employed is of a sort whose availability is not commensurate with the extent of demand The system of calculation of rates is not dependent on any organisational strength but is rather a fixture within a pattern of thinking and practice with a tendency to be traditionalised if the employee does not bestir himself in pressing his demand for fair wages even within the framework of the law where the State promises, in the event of a dispute, to help carry out a complete investigation of the conditions prevailing in any field of industry and manufacture which may concern him, and the field itself must also show signs of progress and change to make the appeal a forceful one.

A capitalist industrialist may not have in every case directly to be an employer of labour himself He can get manufactured articles ordered by him from artisans working on their own, on payment of fair prices but the latter will have no share of the lawful profit on their sale, which will go entirely to the capitalist [43]

When a body of workmen agrees to do a thing, the cost of management may be less though an extra charge may be supposedly conceded to the appointed group of employees for internal supervision and co ordination. Terms may be presumed to vary where workmen carry their own tools or machinery. These may not in every case be furnished by the employer

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# CHAPTER V

## *Planning of Roads and Transport*

There seems to be no lack of appreciation in Kautilya of the fact that economic stability and development in a country are organically related to, and dependent upon, its system of roads and transport The State, interested in both takes every possible measure allowed by its resources for facilitating traffic on land and water, so that apart from social intercourse and administrative convenience, whose needs are served by the course thus adopted, it may be possible for economic transactions throughout the land to go on without any avoidable obstruction The central feature of its road-planning is that the capital serves as the starting point for the construction of a series of streets leading to the headquarters[1] of its territorial subdivisions, to countryparts pastures, forests, and gardens, etc The capital in fact is the pivot of an extensive organisation of different types of roads, with their ramifications spread over the whole territory The political and administrative purposes fulfilled by this system, are obvious, it enables the political authority of the State to be exercised even over its remote parts, and intercourse between the capital and the country side effectively maintained. The system is in agreement with, and a reflection of, the spirit of the Kautilyan polity which stands for the complete assertion of and obedience to a centralised authority From the economic point of view the nerve centre of the body politic thus becomes related to every part of the territory as the supreme organiser and exploiter of its material resources In short the system of road-making, followed by the Kautilyan State, is intrinsically suited to its avowed political and economic objectives, and the methods of their attainment

Another feature of the plan is that different roads are required to be built for different specified purposes The dimensions of these roads must vary according to their respective needs It is evident that the State is alive to the evils of congestion of traffic which its road system aims to counteract In building each road

for a specific purpose, social and economic activities are subjected to the application of a rigid rule of classification; there is to be no confusion in the use of a road, no overcrowding of any sort which may, for example, engender a spirit of organised resistance to authority. The fixing of dimensions is to depend upon the nature of its use. In this type of planning also may be noted the characteristic inclination towards arithmetical precision, shown in Kautilya, in attempting to work out details of economic value and interest. A road to be constructed conforms probably to the size of its requirements, according to the standard current at the time, the generally fixed nature and hence the expected volume of the traffic which it is intended to deal with. It may be supposed that roads spreading out from the capital are in all possible cases planned in such a fashion as to be linked up with the diversified lines of communication in the provincial areas similarly originating on a more or less uniform pattern from their respective centres, economically active and militarily well-protected.

Roads enumerated may be classified as royal roads, roads running up to the *dronamukha* and the *sthānīya*, the country-parts and pastures, military-stations (*vyūha*), burial or cremation grounds, villages and forests, and also roads for chariots, for cattle and for minor quadrupeds.[2]

The largest of these roads are the royal highways, those leading to military stations, burial or cremation grounds, villages and pasture grounds, each of which is to be 8 *dandas* i e., 48 feet in width.[3] The volume of traffic is expected to be heavy in some of these streets. Among those leading to villages and their environs being some of the largest roads constructed in a city, they bear testimony to the extent and facility of communication between them, as required under the economy. The roads included in the first category seem to be those specially suited to administrative purposes. Some of these roads connect the capital with the headquarters of *sthānīya* and *dronamukha*, the former being a collection of 800 and the latter of 400 villages. The chariot road and the royal highway belonging to the same class must be chiefly meant for the use of the king, his *entourage*, the members of his family

and the high Government officials, who need separate thoroughfares for reasons of convenience and security. In the interior of the city there are to be six streets[4]—three running from east to west and three others from south to north intersecting them at regular points. Chariots, which are to be built under the supervision of a Superintendent, are of different standard sizes, the largest being those which are ten *purushas* in height (i.e., 120 *angulas*) and twelve *purushas* in width. The minimum size is of those which are three *purushas* in height and six *purushas* in width (72 *angulas*) i.e., 1½ ft.[5] It appears that the width of the largest chariot is about 3 feet. The road which is specially meant for travelling by chariots may thus be large enough to accommodate about half a dozen chariots moving side by side at a time Roads to gardens, groves and forests are each 24 feet in width—these are to be used specially for transport purposes, for bringing to the capital by suitable conveyances the various agricultural and other products grown in those areas, particularly forests whose materials are utilised for many of the industries of the country. The products of elephant forests are carried through roads of a width of 12 feet. Most of the roads running from the capital mentioned above, whose width ranges from 12 to 48 feet each, are meant for transport of commodities, and hence the traffic on those roads mainly consists in carriages. It appears that there are to be separate roads for pedestrians and conveyances carrying travellers, as well as for other mainly non commercial uses. Such roads include those for chariots which are to be only 7½ feet in width and those for men, as narrow as only 3 feet in width.[6] Those which are meant to be ordinary passages are so narrow that they can be used only by a handful of pedestrians and are not capable of accommodating any carriage of appreciable size. There are also separate roads for the use of cattle, measuring about 6 feet in breadth.[7] The city's road-system with its purposive component parts is characteristically simple. Those which are meant for commercial uses are among the most spacious thoroughfares through which active communication is maintained between the metropolis and the centres of production, situated in different parts of the territory, specially those which are under State control. Their size,

it seems, is fixed according to estimated needs Experience can make it possible for some sort of calculation to be arrived at in regard to the space required for accommodation of current traffic. But a conventionalised size can not suit changed conditions, specially when traffic grows to a material extent. This is however not a matter for discussion in the Arthaśāstra

Roads are to be built obviously at the cost of the State. Trade routes (*vanikpatha*) are to be protected from harassment by *vallabhas*, *kārmikas*, etc , and from theft and robbery, and damage done by animals so that business may not be affected or interfered with in any manner Construction of roads in the capital, or by implication, in other fortified cities as contemplated in Kautilya is not vested in an autonomous body but is in the hands of state officials[8] In rural areas also roads may be built at the expense of the State when local people agree to undertake to construct reservoirs of water at their own cost[9] Roads of commercial traffic (*vanikpatha*) are a source of revenue to the State for they yield a road cess (*varttani*) which is regarded as a part of 'the body of income' (*āyaśariram*)[10] It is because their special utility is felt even as strategic passages for surprise army movements in attacking an enemy that exceptional care is devoted to the planning and building of these roads The maintenance of the roads on which the economic life of the people is so much dependent and which are a source of income to the State, has to be carefully attended to Fines of varying proportions are imposed in all cases of obstruction to roads[11] Thus a fine of 12 *panas* is imposed even when a cattle path of ½ feet in width or a pedestrians' way (7½ feet) is obstructed In this connection the Arthaśastra mentions roads for superior beasts roads for elephants those leading to fields or forests burial grounds or villages, to *dronamukha*, fortresses, *sthaniya*, and countryparts and pasture-grounds Causing obstruction to any one of these roads is an offence punishable with fines varying from 24 *panas* to 1,000 *panas* The largest amount of fine is imposed in the case of obstruction to roads leading to a *sthaniya* countryparts or pasture grounds The severity of the punishment shows beyond doubt how the State is particularly

concerned with the protection of the routes of communication with rural areas and their administrative headquarters. It is probable that the cost of building some of the roads is high when relatively difficult tracts are to be cleared for the purpose. As some of these are supply-routes, their maintenance in a state of repair is of essential importance for economic reasons. Obstruction to traffic on these roads may be caused by sabotage whose object is to disrupt or paralyse economic activities in the related area and thus force a country to political submission.[12]

Details as to the specific materials to be used for the construction of the different classes of roads mentioned are practically lacking, but these in any case must be such as are suitable for their respective uses. Some of these roads may have to be specially well-built, those, for instance, which are reserved for heavy vehicular traffic. Some of the passages, specially those in villages, leading to fields, may ordinarily be of mud, and to these the Arthaśāstra seems to refer when it specifies the fines for 'ploughing several roads too deep' and also for ploughing merely on the surface'.[13] Building materials for road construction, incidentally refered to, include trunks of palmtrees, also jack-fruit trees, broad-sized heavy slabs of stone and wood, the last-named being considered unsuitable in some cases because of its combustible character.[14]

As regards transport on land, the chariot appears to be a familiar conveyance. A Superintendent is entrusted with the task of constructing chariots of different models and different standard sizes.[15] The best of them, as already mentioned, is to measure 10 *purusbas* in height (i.e., 120 *angulas*) and 12 *purusbas* in width. There are seven other smaller models with width diminishing by one *purusba* up to the limit of six *purusbas*. These chariots seem to be meant for occasional use by the king and his family on special trips. Besides these, the State at its own cost has to build chariots of gods (*devaratba*), probably those to be used in carrying divine images or symbols in religious processions; or chariots for use on festive occasions (*pusbyaratba*). chariots for military use, and lastly, those for purpose of travel The last-named

ones specially include no doubt those used by the king and high officials, but as the State is also a manufacturer of commodities open for sale to the public, it may be supposed that chariots for private use, constructed by the State, are among such saleable articles. That chariots are used by the public and not merely by the king, his family, and presumably, by high officials and for ceremonial and military purposes, is shown by the mention of separate roads for their use

Waterways are no less important than land routes in the economy of the Arthaśāstra which takes into account the necessities of a State, comprising not only rivers and lakes, natural or artificial, but also used to overseas activity. The State regards its territorial rivers and lakes and the connected waterways as its own property. Villages on sea-shores or on banks of rivers have to pay a special tax [16] Similarly, fishermen are required to give ⅙th of their catch as licence-charge for using the waterway and the State's boats for their craft (*naukāpātakam*) [17] The rate of this charge reminds one of the standard rates at which the king's share of the produce of agricultural land is sometimes fixed Merchants have to pay a customary toll to be levied in port towns. The tax imposed on villages on sea-shores or on banks of rivers is a collective one[18] the amount of which is probably to be determined in the first place according to the extent of the area benefitted by the facilities locally available either for making 'things of domestic use (such as salt?)' or for any business or trade in which constant water-supply is reckoned as a special advantage Such a village may be supposed to be liable to pay for any benefit as may accrue to it on account of its proximity to river or sea which is not enjoyed by regions not so situated, where men are, therefore, required to spend more for the distance to be covered. The burden of the tax may be presumed to be evenly distributable among the resident families at a uniform rate, the total levy to be collected being fixed in proportion to the economic valuation of the advantage gained through the favourable geographical position whose utility is consolidated by the traffic-system controlled at its expense by the State

The State has to exercise its right over, and lay down rules for the regulation of, water traffic Indeed in the matter of waterways no ques

tion can arise as to any private right of ownership. The question whether the rules prescribed by the State for the use of its waterways receive their sanction from its supreme political authority or from the contribution it makes towards their protection and maintenance, not to speak of the artificial lakes constructed for the use of the public at Government cost, cannot be definitely answered, but in this sphere the State's right is shown as undisputed in another manner. The State fixes by a rule the hours during which its waterways are permitted to be used and also the places for crossing or fording a river. This rule can be relaxed only in certain exceptional cases as enumerated If the rule is violated, a fine is imposed Water-traffic is strictly regulated in various ways. A previous permission is required to secure exemption from penalty. One of the reasons for which such regulations are passed may be the State's anxiety to prevent smuggling, tax-evasion or non-payment of dues. Those who are allowed to cross at any place or time include fishermen, carriers of fire-wood, grass, fruits etc., vegetable dealers and herdsmen, persons engaged in urgent administrative affairs, those who use their own boats as well as those who have to carry necessaries of life and other essential commodities to water-logged areas [20] Thus in short exemption is granted to those carrying on fishing, taking agricultural commodities to villages, or to men engaged by the State in doing certain specified duties, and also those who use their own conveyances.

The ferry-service, owned by the State, has its own boats open to the public on payment of proper fees. A partial socialisation of transport services is thus evident Passengers can use the king's ship for travelling purposes on payment of the requisite amount of sailing fees (*yātrāvetanam*).[21] The State's boats can also be hired for procuring conch-shells and pearls on terms (*naukāpātakam*) not exactly specified. Boats, to be launched in exceptionally large rivers, must be of requisite size and shape. A large boat is one provided with a controller or captain (*śāsaka*), a steersman (*niyāmaka*), and menials whose duty is "to hold the sickle and the ropes and to pour out water."[22] Smaller boats are to be used to cross rivers which are fordable throughout the year

except during the rainy season It is noteworthy that nothing is said in this connection about the character of sea-going vessels What is evident, however, is that the State manufactures boats, both large and small, not only for its own use but also for the use of others who have to pay for the service according to fixed or current rates although it is not marked out as exhaustively socialised, for men with their own ferries including those who use their own boats for the purpose of fishing out conch shells and pearls are mentioned It is difficult to say definitely whether a concurrent private ferry service, run on commercial lines, is entirely beyond the contemplation of Kautilya. But a private transport service is not probably outside his range, for the right to own a boat is not denied in some cases, as already noted, and the reference to passengers travelling by the king's boats implies that there may be others availing themselves of similar transport services managed by private individuals or companies If a private service is allowed, its obligations to the State are left unnoticed.

Boats required for the crossing of large rivers are to be proportionate in size, firmly built and equipped with a relatively larger personnel, suitable devices and instruments Evidently there cannot be any number of large sized boats to be built at great cost. Their number is to be determined according to available resources, but the size must be increased so as to be sufficient for the purpose of accommodating the expected volume of traffic. In the case of other rivers which can be forded or crossed without much difficulty small boats would be suitable Any number of such boats can possibly be manufactured for convenience of traffic.

A table of freights[23] is drawn up, and it seems reasonable to hold that this has to be adhered to not only by the State owned transport services but also those which are allowed to be owned and conducted by private individuals or companies, provided they exist It has been already seen that the settlement of prices of commodities is a matter of concern for the State In the determination of price, the cost of transport is a necessary item for consideration Uniformity of transport rates has therefore, to be maintained if the policy of regulated prices is to work throughout the territory. But diversity of transport

charges may make it practically impossible to draw up an effective schedule of prices of commodities, resulting in the emergence of unequal rates for articles manufactured and sold by the State as well as those produced under private enterprise. The freight rates are of different categories carried by boats, classified below · I.—(1) men—(2) animals (a) minor quadrupeds (b) cows and horses, (c) camels and buffaloes,—(3) carts (a) small carts, (b) carts of medium size drawn by bulls, (c) big carts

Loads are distributed under the following heads II. (1) loads carried personally by a passenger (2) head loads or loads carried on shoulders, (3) head loads of merchandise.

So far as freight rates are concerned I (1) and (2) (a) form one group, similarly, I. 2 (b), II 2 are grouped into one class

Every passenger is allowed to carry some charge free luggage. The rate for I (1) and 2 (a) is one *māsha*, that for I 2 (b) and II. 2 two *māshas* The rate for a camel or a buffalo is 4 *māshas*. The three classes of carts, small, medium sized and large, are respectively charged at 5, 6, and 7 *māshas*

A distinction is drawn between a commercial article and what appears to be an article of purely domestic use. A head load or a load carried on the shoulder probably in the nature of luggage is required to pay 2 *māshas*, while a head load of merchandise is charged at ¼th *māsha*. This leads to an encouragement of trade and also helps to keep down prices Ferry-charges are doubled when large rivers are to be crossed, apparently because of the greater cost of the transport service engaged

Those who are privileged to travel free include Brahmins, *ascetics, infants, the aged, the diseased and pregnant women* It must be presumed that the inability to pay being the main cause of such exemption, there is an implied liability that the privilege is not misused The favour shown is another proof of the State's sense of social duty.

If the charges on animals and carts are those on loads carried by them rather than the carriers themselves, it will appear that denominations of corresponding weights not being mentioned, there is an approximate understanding as to the average weight of the load carried

in each case, on which a fixed rate has been imposed. Under this system loads are not to be weighed in very individual case to guarantee precision.

It will appear from a study of the above schedule that no consideration is given to mileage or distance in determining rates of freights The rates are fixed irrespective of the distance to be covered. From this the inference may be drawn that throughout the length and breadth of the territory prices of commodities are sought to be made uniform insofar as equality of rates can be helpful in reaching this objective. Mean rates must be worked out on the basis of a sort of average calculation of the total traffic passing along a whole waterway from one extreme to another, so that the flat rates, fixed by the State, may not affect the services adversely. It should also be noted here that although the weight is an important factor for consideration, the weight of every article is not to be taken separately. A load carried on the head of a strong man may be more than a load carried on the head of a weaker man. Such differences are not taken into account in fixing the scales of freights. It seems probable that a head load of merchandise may mean not merely a load carried on the head-but that it is a load of fixed weight For a disparity in weight may cause gain or loss as the case may be, not strictly compatible with the policy of fixing prices of commodities with intended precision.

The rates mentioned above are doubled in the case of large rivers, i e , probably those which are to be crossed or forded by large boats. Villages situated within the neighbourhood of marshy places, apparently in view of the special difficulties of transport involved, have to provide, on a collective scale, additional fares with foodstuff. In view of the difficult nature of the work in marshy areas this may probably be charged when private boats are used.

So far as ferry men in the service of the Government are concerned, those who work in the frontiers are charged with the task of collecting the toll, which a merchant is required to pay in a port town, together with a transport cess i e , the charge for crossing a river and also a road cess So far, we have referred to chariots and boats as conveyances used on land and water respectively. There are different sizes of these conveyances serving different purposes and

suiting different occasions. The commonest type of conveyance on road, however, is a carriage drawn by some animal or animals. There are three varieties of such conveyances, the *lagbuyāna* (probably some kind of fast-moving carriage of light weight) the *golingam*, i.e., a cart of medium size drawn by bulls, and the *śakata* which is a comparatively big cart. It is mentioned that carts are to have proper support, and also a covering. There are chances of collision (*samgbattana*) against which precautions have to be taken. An animal is yoked to a cart with the help of a nose-string. There is sitting accommodation inside a cart The number of animals yoked to carts depends on their size.

There is nothing to show that the standard of technical skill required in the building of carriages is higher than possible with scientific developments of modern times unanticipated and unknown. A carriage drawn by animals and conducted by a driver is not an exceptionaly developed type of conveyance from the standpoints of speed and comfort. Transport is necessarily slow. Animals, such as camels, horses, elephants are among those used for purposes of conveyance. The carrying capacity of a conveyance is thus naturally limited in comparison with modern conveyances, this inherent defect of the transport system may be made up for by increasing the number of carriages in order to cope with the volume of traffic growing with the expansion of trade, internal and external and the opening up of new lines of communication.

# CHAPTER VI

## *Rules and Standards of Measurement*

One striking characteristic of the system of weights and measures disclosed in the Arthaśāstra is the meticulous care taken in developing it on a progressive scale basing it on a unit which is too small to be humanly perceptible but has to be admitted for the sake of theoretical perfection. This unit grows by minute stages into something like a tangible shape which is finally to form a practical basis for purposes of human calculation If the conception of an original unit is not brought into the picture and left beyond human intelligence and approach, the foundation of this multiple working unit will, in thought, remain a mystery. It will not have the appearance of a sensible development which can be explained at least in theory, emerging as the culmination of an imaginary unit rising through a process of graduated ascent to a completed standard. Thus in measuring length the unit fixed is taken to correspond to the minimum of space covering eight *atoms* (*paramānavah*) There is no means of knowing how an atom can be helpful in calculation except from its description as equivalent to one particle of dust (*renu*) contemplated as 'thrown off by the wheel of a chariot'. It is not shown how this element can be related to a worldly purpose, it, however provides an ultimate basis for the system of measurement evolved, beyond which human calculation can go no farther. The next stage is represented by a combination of eight particles supposed to correspond *to one liksha* Eight likshas together correspond to 'the middle of a *yūka* or louse of medium size' and eight yūkas to one *yava* (barley) of middle size. This last one in the enumeration so far, is meant to serve as a positive unit, but the complex which leads to it is of no avail for perceptible needs. The use of the middle of a *yūka* or louse in the scheme of measurement may seem to show, to some how extent, the first stage in a determinable approach, the question is how is it possible to assert that it is equivalent to 64 *renus*?

It becomes necessary first of all to detach one particle of dust from the mass in which it is contained, and secondly, multiplying it by 64. To arrive at a calculation on this basis requires the application of such a device as can record the difference even the fraction of a particle with the *renu*-unit itself being incalculable. It may be possible to say that the system of measurement disclosed must have, in a process of speculation derived a basic factor from a searching observation of nature as the references to the middle of a louse and the *paramānu* show. The taking of a particle of dust as a unit shows that the Indian mind selected the smallest material thing of the earth that it could imagine to serve as the primary foundation of a complicated standard of measurement After the *yava* the next higher measure is represented by the *angula* (i. e , 'the middlemost joint of the middle finger' of a human being or three-fourths of an English inch). A verification of the accuracy of measurement is possible if a *yava* or an *angula* is taken as a unit and then if either is minutely divided into equal parts, each measuring a particle of dust which is the smallest unit. Fifty-four angulas make one *hasta* which is used in measuring timber. For all practical purposes it is the *angula* that ultimately evolves as a unit of measure. But the same standard is not used for measuring different things Thus while 54 angulas making up one *hasta* is used in measuring timber a measure of 42 angulas equivalent to one *kishku* is applied in cases of palaces and military constructions. Similarly, 1 *vyāma* representing 84 angulas is employed in measuring ropes and the depth of digging in terms of height 108 angulas making up one *gārhapatya dhanu*, used by *grihapatis*, represents a measure applied in the construction of roads The largest number of angulas in this system of measure is 192 which constitutes one *danda* used in land-grants to Brahmins Thus standards of measure of different names are to be adopted for different purposes although the practical unit is the same in all cases viz., the *angula*. It seems that originally different measures served as units for specified uses, as mentioned, and that later it was attempted to reduce all of them to a common *angula*-unit. The last again is subdivided into minute parts, the

smallest of which is a particle of dust, as already explained. The measure used in building a sacrificial altar is called *paurusha* which is equivalent to 108 angulas. Thus the minimum measure for military constructions and palaces is *kishku* used by sawyers and blacksmiths, that for timber-forests a *hasta*, for ropes and depth of digging *vyāma*, for roads and fort-walls *gārhapatya dhanu*, for sacrificial altars *paurusha*, and for gifts to Brahmins (lands) *danda*. These different denominations of measures have a certain significance inasmuch as the use of each has a special reservation. The measurments evidently are to be taken by different methods, as are denoted in some cases at least by the terms used to represent such measures In some cases names of things or their parts, as seen above, are used in denoting measures such as *dhanurgraha*, *dhanurmushti*, *sala*, *kishku vyāma* (?) *danda*, and *dhanu*. These measures were technically completed when a common unit was found with an accuracy that had at least a theoretical value. In the ascending order starting from the basic *angula* unit there are a number of intermediate measures applied to specified objects or purposes respectively for the determination of approximate values. Thus 4, 8, 12, angulas represent minor measures, viz, 1 *dhanurgraha*, 1 *dhanurmushti*, 1 *vitasti* or 1 *chhayapaurusha*, 14 angulas being equivalent to 1 *sama*, *sala*, *pariraya* or *pada*, 24 angulas or 2 vitastis are equal to 1 *aratni* or 1 *prājapatya hasta*, 2 vitastis or 24 angulas plus 1 dhanurgraha or 4 angulas, i e., altogether 28 angulas make one *hasta* in certain other cases, such as that of measurement of pastures

Two vitastis i e., 24 angulas plus 1 dhanurmushti i e, 8 angulas, altogether 32 angulas, make one *kishku* or *kaṁsa* 4 *aratanis* i. e, 96 angulas constitute one *dhanu*, *danda*, *nālikā* or *paurusha* The *paurusha*, however, used for sacrificial altars, is not the same as the last-named paurusha, for the former is equivalent to 108 angulas, while the latter to 96 angulas Names of square measures are also given in respect of which the *rajju* is the unit, but this can be traced to the angula-unit, for it is said that 10 *dandas* are equal to one *rajju*. A danda in this case consists of 4 hastas whose equivalence in terms of the angula unit is a matter of

calculation A hasta, if it is of the *prajāpatya* type, is equivalent to 2 vitastis, i. e., 28 angulas, if of the type used in measuring timber-forests, 54 angulas, for the type used in measuring pasture lands 32 angulas Ten dandas then can mean either 280, 540 or 320 angulas in different cases. In the case of land given to Brāhmins 10 dandas would mean 1920 angulas Then, again, as 4 aratnis i e, 96 angulas also make one danda, 10 such dandas would mean 960 angulas When rajju is mentioned as the name of a measure specifically, it is shown as equivalent to 10 dandas, each being of 192 angulas A square measure called *pārideśa* is formed by 2 rajjus, and 1 *nivartana* is made of 3 rajjus Three rajjus plus 2 dandas on one side only represent one *bahu* (arm) One thousand *dhanus* (96 × 1000 = 96000 angulas) represents 1 *goruta* and four *gorutas* one *yojana* If a dhanu is of the *gārhapatya* type, 1000 of them will be equivalent to 10,8000 angulas i e, 2250 yards The denomination of a measure may be the name of the instrument with which the particular measure is taken. Thus *rajju* which is equivalent to 10 dandas means a rope, which is 10 dandas in length Similar may be the case with danda. It has been mentioned that except for the angula unit, which is common, there are different denominations of measures used in measuring different objects Hence whenever a particular object is to be measured, the measure prescribed for it will have to be used Typical objects for measurement only have been enumerated, in regard to things which have not been mentioned, it is probably custom or usage that has to decide what measures are to be applied in those cases Besides the *angula* or the *hasta* unit is there, which can be conveniently used for measurement of unspecified objects. The merit of the system lies in the fact that it is very suitable for classification, the very denomination of the measure used in any particular case will give a definite idea as to the object measured and its economic associations Separate names are given for 4, 8, 12 14 24, 28, 32, 54, 42 84 96, 108, 192 angulas, so far as lineal or square measures are concerned So far as angula is concerned, it is the common basis of all these different units of measures The

minimum practical unit being an angula, which is less than one inch, the system of measures appears to have aimed at a sort of minute accuracy Even one *yava* or barley is not considered too small or insignificant to be used for calculation, though it is represented as equivalent to one eighth of an angula which is much less than an inch A system under which such a small space or length can be registered may claim a certain degree of thoroughness in the manner in which it has been worked out Behind this effort at ideal accuracy there is a fundamental understanding that every material object is a thing of value, not the slightest part of it should escape attention in the assessment of its value insofar as it is dependent on the exact mesurment of the item concerned

Most of these characteristics are present also in the system of weights disclosed in the Arthasastra Here the smallest unit is a seed viz, either a *masha* or a *guñja* berry So far as metallic objects to be weighed are concerned those of gold and silver are indicated by the terms used to denote them For the measurement of gold the unit is 1 *suvarna masha* which is equivalent to 10 seeds of *masha* or 5 *guñjas* 16 *Suvarna mashas* make one *Suvarna*, i e one *suvarna* is equivalent in weight to 80 guñjas or 160 seeds of māsha In currency Suvarna denotes a kind of coin made of gold If Suvarna therefore, is to be taken in the limited sense of gold it will follow that the Suvarna measure is meant for all objects made of gold including of course, coins But in the table the *Suvarna* unit and the *Karsha*-unit have been grouped together both being given as equivalent to 80 guñjas, 160 māsha seeds or 16 suvarna mashas which may mean either that the two terms are synonymous in regard to their metallic implication or that the Karsha unit is only similar to the other in its equivalence to Suvarna mashas in weight with its metallic application not specified There is however nothing to show that the use of the name *karsha* is limited to gold It may be that originally these were names of two kinds of measure used in respect of separate categories of objects here they have been grouped together because their respective values simply as measures closely approximated to each other In that case while the *suvarna* is

primarily linked up with gold, the *karsha* is connected with objects other than gold and metals, excepting those which have been specified separately in the scheme of weights. One exception noted in this connection is silver. 88 white mustard seeds make up one *rūpyamāsha* i. e, silver-māsha, and 16 such māshas one *dharana* The distinction between 80 guñja seeds and 88 white mustard seeds (*gaura-sarshapa*) may not be much but there must have been some difference at least In any case a different unit of weight is given for silver. It is not improbable that a special unit of measure for silver, which was originally of local usage, has been given here a distinct place in a common table of weights, which shows its difference from the rest. However, one māsha of gold is not exactly equivalent in weight to one māsha of silver. The ratio between gold and silver cannot be regarded as totally unconnected with this difference. If *māsha* denotes in the case of silver one weight and in the case of gold another weight, however slight the difference may be between the two, is it to be held that the ratio is fixed in terms of the same denomination? The difference in weight, whatever it may be, must be taken into account in fixing the ratio although it may appear superficially that there is not much of a difference since the denomination is the same. The actual difference must be within every body's knowledge though no common unit is mentioned. The basic units in the two cases (i e., *sarshapa* and *māsha*) look different and it seems that at one time they have existed independently of each other, the name māsha in the case of silver being later added for the sake of uniformity. A *dharaṇa* which comprises 16 silver māshas is similarly different from 1 suvarna or karsha which is equivalent to 16 māshas since a silver māsha and a suvarnamāsha are not at least one and the same in the sense of weight For purposes of weight there are subdivisions and multiples of *suvarna*, as we have seen in the case of *angula* serving as a unit of measure, the subdivisions being ardha māsha, one māsha, two-māshas ($\frac{1}{8}$th of suvarna) four-māshas ($\frac{1}{4}$th of a suvarna), and eight māshas (half a suvarna) with its multiples such as two, four, ten, twenty, thirty, forty and one-hundred suvarnas to be weighed by devices or objects of required standards. The minimum weight is ardha māsha i. e., $\frac{1}{32}$

suvarna To weigh smaller articles they have to use *guñja* seeds or their equivalents The term *karsha* has been used synonymously with *suvarna*, and not as a denomination of weight for silver. Four karshas make up one *Pala*. It is to be noted that while mentioning the subdivisions and multiples of suvarna the Arthaśāstra does not similarly mention subdivisions of karsha, and while mentioning the equivalence of a pala, it refers only to karsha and not to suvarna. This makes it probable that originally the Karsha standard was a separate one but as it agreed with the gold standard of weight it came to be used together with Suvarna as a synonym, but Karsha must have included metals in addition to or other than gold, with specific subdivisions and multiples of which latter only *Pala* has been mentioned by Kautilya, suvarna being synonymous with Karsha, four suvarnas together should mean one pala which is equivalent to four karshas but the four-suvarna weight, though a known multiple of suvarna is not shown as similarly related to Pala The word *pala* as a denomination of weight may, therefore, be taken as connected with metallic objects other than those of gold and silver. The table includes a separate standard of weight for diamonds, one *dharana* of diamond is shown as equivalent to 20 grains of rice. It is obvious that a common unit is not given for the purpose of weighing gold, silver and diamond. In the absence of such a unit it is difficult to make a relative estimate of weights of things of gold diamond and silver according to an identical standard As there are subdivisions and multiples of the suvarna weight, there are similar subdivisions and multiples of the dharana weight.

We have seen above that one pala = 4 karshas = 64 suvarna māshas. This is different from the *pala* which is shown as equivalent to 10 dharanas in respect of the royal measure. Which *dharana* is meant here? The commentator explains this *pala* as greater by one karsha than the usual *pala*, which may be supposed to be the same as the one which is equivalent to 4 karshas If so, this *dharana pala* is equivalent to 5 karshas. Five karshas being equivalent to 10 dharanas, one karsha must be equivalent to 2 dharanas i. e , 32 silver māshas while the *dharana* is equivalent to 16 such māshas. Thus one karsha in the

present case, is equivalent to 2 silver māshas. This calculation gives us a definite basis for judging relative weights. 100 palas make one *Āyamānī*,[1] which constitutes a weight for state income. In this connection mention is made of another denomination of weight *viz.*, *Tulā*, but its relation with *pala* is not shown in the text, according to which 20 *tulās* make one *bhāra*. The commentator explains *tulā* by equating 100 palas with it. If this is correct, one *bhāra* will be equivalent to 2000 palas. One hundred times of a *Pala* being equivalent to 10 dharanas, 1000 *dharana palas* constitute the *āyamānī*. This is the State measure distinguished from those which are meant for public use, for the use of servants and for the use of the female establishment of the king respectively, the last three being mentioned in their relation to the first. Thus there are different balances for the use of the king and the public, besides his servants and the harem. The pala, which is used in connection with the royal measure, is equivalent to 10 *dharanas*; its equivalent to that used for the public is stated to be 9½ *dharanas*. The pala for servants' use is 9 *dharanas*, and that for the use of the harem is 8½ *dharanas*. Against the state balance weighing 100 *palas* (āyamānī), the general or the public balance (*vyavahārika*)[2] weighs 95 *palas* the servants' balance 90 *palas* and that for the *antahpura* (the seraglio, the inner circle in the palace) 85 *palas*. The king is both purchaser and seller, also as a ruler he is entitled to various dues from his subjects. In this threefold capacity he must use the *Āyamānī* or the king's balance which represents a preferential measure. When he purchases a thing, he gets more in quantity than all others can get under the system; for instance, when a member of the public will get only 9½ *dharanas*, he will get 10 *dharanas* for the same price; then if he sells he can get, unless otherwise restricted, additional benefit for the half dharana which he holds in excess of the 9½ dharana. But if the king is entitled to a share of the raw produce of an agricultural holding, the produce, if measured by the king's balance, will be less than if measured by the public balance, for between the two there is a difference of half-dharana per pala The king will get his portion in accordance with his balance in which the *pala* is higher by 5 p. c than in the other

balance. The *pala*, as represented by the *Āyamānī*, being used, he will have the proportionate advantage due to the difference between the king's balance and the public balance. He gets the same advantage if the public balance is used throughout, keeping in view the fundamental principle that the *pala* for the king is higher than that for the public by half a *dharana*. When the king sells anything, he gets the price for 9½ dharanas as well as the extra 1/2 dharana. The king is, therefore, placed in an advantageous position with his right to special profit amounting to a kind of indirect taxation in existing market-conditions even without raising the price of his commodity. He will always get the due value of his 1/2 *dharana* per *pala*, of which the others using the public balance will be denied. The public balance, so far as the King is concerned, applies to all except the women of his household and his menial staff or those of his employees who are under the rules to be supplied with provisions, and there is no further discrimination against any particular section of the public under the system of metrology which otherwise operates in his favour. In the case of foreign trade, where there is direct relation between the government of one country and that of another, the balance to be used must be presumably subject to a mutual settlement between the parties concerned, any advantage accruing to its deal in the external market may not be of the same nature as is obtainable out of the graded weight-system internally in vogue, but the inevitable margin, which it affords, goes to the State's favour when its imports become saleable objects in the home-market or are used for distribution in the royal palace or establishments. A distinction is drawn between private use and use for profit. While there is a difference of 1/2 *dharana* between 1 *pala* in *āyamānī* and 1 *pala* in public balance, the difference between the former and the servants' balance is 1 *dharana*, and 1½ *dharana* between the *āyamānī* and the harem' balance. The discriminatory system stresses the need for economy in private consumption and reduces the chance of private trade in regard to provisions supplied by the State among the king's menials and female members of the royal household, and also waste. It is evident that by modifying the

weight-system the State is enabled to get a greater economic value for its transactions The system, however, is not applied irrespective of commodities. It would not mean any special advantage to the king if the excess in a stock held by him cannot be profitably disposed of in time or the commodity to be dealt in is too precious to be favoured by inclusion as an item within the scope of the preferential weight-system. Also the system cannot possibly grant any substantial advantage to the king wh-n the stock is of such a nature that it must be quickly disposed of. Hence in regard to certain commodities, viz., flesh, metals, salt and precious stones, no excess is to be demanded, the rule being "Excepting flesh, metals, salt, and precious stones, an excess of five palas (*prayāma*) of all other commodities (shall be given to the king) when they are weighed in the two first named balances."[3] Thus the rule is clear that when the two balances, viz , *samavrittā* weighing ...... and the *Parimānī* ...... are used, all the commodities with the above-noted exceptions, will be subject to an increase of five palas. This shows no deviation from the principle that can be worked out on the basis of a difference of 1/2 *dharana* between an Āyamānī pala and a *vyavabārika*. For a pala consists of 10 *dharanas*, and 1/2 dharana, therefore, represents 1/20th of a pala. The *Samavrittā* and the *Parimānī* are meant to weigh 100 palas. Hence the difference between the public measure and the king's measure by these balances will amount to five palas

The foregoing discussion shows that there are different units of weight for gold, silver and other metals like copper, as well as diamond, that higher measures start with dharana as the unit, ten dharanas being equivalent to one pala, that 100 palas represented the king's measure of royal income, that 20 tulas or 2000 palas make one *bhara*, that the royal measure is higher than the public measure by five palas in evevy 100 palas, with balances, which are intended to take the most accurate weight of everything. In regard to this table of measures of māsha grains, it is to be noted that the difference between the *āyamāni drona* and the *vyavabarika dronā* is 12½ palas, not 10 palas per 200 palas and those between the former and the servant's measure and the harem (*antahpura*), measure are respectively 25 and 37½ palas. Another table in terms of 'grains of māsha' is available

where the unit composed of 200 palas makes up one *drona* as a royal measure with $187\frac{1}{2}$ palas as a public drona, 175 palas a *bhājanīya* or servants' drona and $162\frac{1}{2}$ palas the 'harem drona' (*antahpura-bhajaniya drona*) An *Ādhaka* of the king's drona is 50 palas, of the public drona $187\frac{1}{2}\times 1/4$, of the servants's drona $175\times 1/4$, of the harem's $162\frac{1}{2}\times 1/4$. *Prastha* is 1/4 of each of these shares, and *kudumba* again is 1/4 of these subdivisions. 16 dronas make one *vari*, 20 dronas 1 *kumbha*, and 10 kumbhas 1 *vaha*. Thus a king's *vaha* will be equivalent to 640,000 palas. This is the highest measure mentioned in the Arthasāstra. Detailed instructions are given as to how the necessary cubic measures are to be manufactured. It is to be understood that the measure in every case must be taken as perfectly and accurately as possible By an average calculation a proportion is made out in respect of certain articles, by which the measure, as taken, is to be increased to ensure acceptability of the material against any known inflationary factor Thus it is directed that ' with regard to wine, flowers, fruits, bran, charcoal and slaked lime, twice the quantity of heaped up portion (i e, 1/4th of the measure) shall be given in excess'.[4] This rule shows that in regard to the articles specified five *kudumbas* and not four *kudumbas* will make one *prastha* Measures such as a drona, ādhaka, prastha, kudumba and various counter weights are manufactured and sold to the people at fixed prices Thus $1\frac{1}{2}$ *panas* is the price of a drona, 3/4 pana that of an ādhaka, six māshas that of a prastha, 1 masha is the price of a kudumba, 20 panas of a set of counter weights, and $6\frac{2}{3}$ panas that of a tulā or balance Another source of income to the State connected with the system of weights and measures is the compulsory payment to the Superintendent concerned at the rate of four *māshas* for stamping weights and measures The use of correct weights and measures is a legal necessity, hence stamping by royal authority testifying to the use of authentic weights and measures is essential. Consequently, there cannot be any business without royal verification and authenticity, as symbolised by royal stamping, which is, therefore, not a trifling source of income. Traders are to pay one *kākani* to the Superintendent towards the charge of stamping weights and

measures. It may not be that the State monopolises the manufacture of weights and measures which are to be purchased at fixed prices, but the cost of a certificate is essentially a charge for the Sate to realise. Thus authenticated weights and measures and balances only can be in use, bearing the stamp of the Government, and in every transaction this stamp acts as a guarantee that there is no false statement or declaration.

The system of rigidly adhering to weights and measures, though enforced with all the authority of the State, is relaxed in certain exceptional cases. But this relaxation is also of the degree and extent as permitted by the State. Thus those who trade in clarified butter must give to purchasers $\frac{1}{32}$ part more as *taptavyāji* (average compensation for normal decrease in its quantity caused by the liquid condition of the commodity) Those who trade in oil are to give $\frac{1}{64}$ part more as *mānasrava* to make up for natural diminution.[5] In these cases there is no question of granting any special concession to the purchaser, whatever is granted, is by way of affording him a lawful protection against the depreciatory trend in the weight of certain specified classes of commodities The privileged position enjoyed by the State in the system of weights and measures may be for similar reasons of trade in other articles also in comparable circumstances , for large quantities of things are likely to suffer wear and tear, when kept in stock, and the current standard of calculation has to be so adjusted as to minimise the average loss that may be expected to arise out of such a contingency. But it must be noted that the private sector is not admitted to the same relief though the economic necessity may be common

# CHAPTER VII

## *Currency Affairs*

According to the Arthaśāstra, a coin is to be made of a combination of a certain proportion of bullion and alloy to be used as a token of money. The nominal value of that symbol must be related to the nature and cost of the bullion and other ingredients used, as well as the making and other incidental charges. The proportions of bullion, alloy and other elements, which go into the composition of a coin, are settled in detail, and extreme care is demanded in manufacturing it in accordance with these specifications. It appears that the idea of manufacturing coins gains ground out of expediency, for their utility as convenient mediums of exchange. The equivalence in value between a certain measure of metallic substance and goods which can be obtained in exchange for it is known and appreciated. This is an essential condition for the conversion of bullion into symbols of definite categories of weights, their respective values proportionately different from one another due to variations in the cost of production etc A coin is thus like any other product of industrial labour, the value of which is similarly determined. The State does not practically reveal any currency policy of its own, its concern is to see that tokens of money are manufactured strictly according to prescribed directions regarding weight, proportions of metal, alloy and other ingredients, and that no valuable element is lost in the process of the manufacture. The workshop of the State is the sole authorised centre for the production and manufacture of different categories of coins under the supervision exercised over a staff of artisans paid by the government. It is like a factory where many labourers are engaged in producing certain types of objects with their manifold subdivisions and varieties, viz, coins of different metals, of different weights and different sizes It is not allowed to a private individual to mint coins; they can be manufactured only in the royal mint under the

direction and supervision of Government officials. Coins may be made to order, private individuals may bring bullion here and place orders for its transformation into coins[1] In this respect the State may be said to be acting like a manufacturer who has agreed to carry out definite orders apparently on a contractual basis So far as the security of the manufacturer against any possible risk is concerned, it appears to be covered by the bullion placed in its custody. When the orders have been executed all dues are cleared on the delivery of the finished products, i e., the coins manufactured at the State mint, which enjoys complete monopoly in this industry.[2] The State's anxiety for the use of authentic weights and measures, which is enforced throughout the whole economic field under its jurisdiction, is not a whit lessened in the matter of the manufacture of currency.[3] The dominating idea is that a coin must be of authentic weight and according to the standard in every other respect so that its particular value as a medium of exchange can be guaranteed. As coins are manufactured in the State mint, there is no room for any doubt or suspicion regarding their weight, composition or standard, just as stamped weights are used in the market, so are these tokens of money whose authenticity is strictly guarded by the authority of the State. Under the system generally indicated the existence of a universal custom of coins being used as mediums of exchange cannot be proved conclusively. The scope for barter under existing arrangements, though reduced, still remains, standard of weights and measures being current, with means provided for a scientific testing of all kinds of metal, bullion may continue to be changed after proper weight and testing, for commodities of equal value at current rates

It is not to be understood that all private persons can or have to bring their bullion to the mint, but coins may be available for transactions in the open market Convenience should dictate use of coins on a wideing scale so that for all practical purposes barter will be gradually replaced, and, if it survives, it can do so generally in the field of minor or other transactions where generally the system may have specific advantages.

Coins are to be of three varieties, viz, gold, silver and copper. *Lakṣmanādhyakṣha*[4], a Superintendent is in charge of the manufacture

of *rūpyarūpa* in the mint, It has been already seen that there is a separate table of weights for silver as distinct from *suvarna* or *karsha*. Is the table for silver, or the *karsha* or *suvarna* standard followed in the manufacture of silver coins? The former may appear more probable, but it is to be noted that in mentioning coins, the particular standard of weight followed has not been separately shown.[5] The proportions of ingredients, to be used in manufacturing a *rūpyarūpa* i. e., a silver coin, are given but this does not help in finding out what standard of weight is to be followed. Four parts must be those of copper and one-sixteenth part that of any of the metals, *tikshna*, *trapu*, *sīsā* and *añjana* must be used.[6] There are subdivisions of this money, such as a half *pana*, a quarter-*pana* and 1/8 *pana*. Supposing that the full coin measures sixteen silver *māshas*, the alloy will consist of four māshas of copper, 1/16th of one part of another metal, as mentioned above, and the rest, that is, 11 would be pure silver in every silver full *pana*. In regard to the manufacture of copper coins (*tāmra rūpa*),[7] there is, firstly, the mention of a full coin weighing one *māsha* together with its subdivisions, *half-māshaka*, *kākani* and *half kākani*, and, secondly, of the quantity of alloy which is permitted to be mixed with pure metal. The alloy is to consist of four parts. If a standard māshaka coin is equivalent to 5 *guñjas*, as in the case of a *suvarna* or *karsha*, then evidently it has five equal parts. It is not likely that only one part is directed to be of pure copper, the rest being alloy. If '*Pādājivam*' in the text means one-fourth, a copper māsha coin is to consist of three-fourths of pure metal and only one fourth of alloy[8] The proportion of alloy in a copper coin will thus be slightly less than that in a silver coin. In regard to silver coins the one-sixteenth part, mentioned above, is sometimes explained as meaning one *māsha* since the total weight of such a coin is taken to be 16 māshas But can it not mean one sixteenth of a silver *māsha* (i e, 5½ 'white mustard seeds', with four parts to consist of copper i e, 1/4th of the total weight, viz, 4 *māshas*? If this explanation is to be adopted, a silver coin if it weighs 16 *mashas*, would contain 4 *māshas* of copper, $\frac{1}{16}$ *masha* of *tikshna* or some other metal, and $11\frac{15}{16}$ māshas of silver. In this connection it is to be noted that the

standard copper coin to be manufactured under the supervision of the *Lakshanādhyaksha* weighs only one māsha[9] Copper coins, therefore, are to be used as small changes the smallest weighing a half-kakani, i. e., one-eighth of a māsha only. The value of copper can be realised from the fact that even such a small change is current in the market, but as multiples of a māshaka in the case of copper coinage are not mentioned, it may mean that the State does not circulate higher denominations of copper money. That the standard silver coin is not, like copper, one māsha in weight is clear from the text which shows that in a silver coin the alloy in the shape of *tikshna* allowed is to be of one māsha or less. There is however, no direction against manufacture of multiples of the standard silver money weighing 16 māshas and those of the standard copper token weighing one māsha. In the table of weights one can notice multiples of māsha as well as those of suvarna. If necessary this table may be followed in the manufacture of coinage also. It is to be noticed that the name '*dharana*' is not mentioned in connection with silver coinage manufactured in the State mint. It appears that the term is used in the Arthaśāstra as a denomination of weight though not as distinctly as that of a coin weighing one dharana which is equivalent to sixteen silver māshas In current language there is no difference between a suvarna and a dharana for both weigh 16 māshas, the former being called 16 suvarna māshas and the latter silver or *rūpya* māshas. But in fact there is some positive distinction for a suvarna-māsha weighs five guñjas while a silver māsha weighs 88 white mustard seeds. In any case the use of the term *dharana* is not limited to coinage, as a designation of weight it is applied to all silver articles or to silver bullion, and there is a series of weights commencing from the dharana as a unit. As regards the manufacture of gold coins, this is a duty which rests with the State Goldsmith or the official in charge of gold (*Sauvarnika*). The manufacture of gold coins is to be carried out by this officer with the help of artisans who are employed in his office,[10] *aksaśālā*, out of the bullion deposited by citizens and countrypeople with orders to convert it into coinage[11] It is to be noted that the

*Sauvarnika* is appointed to manufacture *rūpyasuvarnam* which is supposed to refer to silver and gold coins. But the manufacture of silver coins is supervised by the *Lakshānādhyaksha*, under whose personal direction copper coins are also manufactured. Duplication of the same function does not appear to be a reasonable proposition. In connection with the duties of the Goldsmith it is stated that he must gather information concerning gold and rates of exchange.[12] Here there is no reference to silver, which may go to show that his business is not directly concerned with the manufacture of articles of silver, except insofar as that metal along with others is connected with the current rates of exchange. Then, again, there is no mention of silver in the passage which refers to the loss of metal in the course of manufacture amounting to one *kākani* or 1/4th of a *māsha* in a *suvarna*.[13] In referring to colouration (*rāga-prakshepa*) the text says *tikshna-kākani rūpa-dvigune rāgaprākshepas tasya 'shadbhāgah kshayah* which means that the colouring ingredient shall be one kākani of tikshna, and two of silver, one-sixth of which is lost during the manufacture'.[14] In fact there is no clear indication that the manufacture of silver coins also is entrusted directly to the State Goldsmith who appears on the other hand to be concerned with articles of gold including gold money-tokens. There is another function of the mint. It is permitted to take back gold coins if they are not worn out even after the lapse of a number of years since their issue.[15] This means the State's gurantee that gold coins manufactuted at its mint can be accepted and payments made thereon if there has not been any positive deterioration either in the quality of its content or its quantity. The statement that a gold coin, if in good condition, is acceptable shows that such tokens, though not in circulation, do not lose the intrinsic exchange value of their content even if old.

The currency system of the Arthaśastra does not appear to be particularly complicated in character. It is not for the State to fix the amount of coinage to be issued, for the royal mint[16] also manufactures coins out of the bullion which private parties bring in, and there is no provision restricting its quantity. But what the mint knows for certain is the total quantity of currency issued, or to be more precise,

manufactured under its supervision The State makes an income out of the currency manufactured and put into circualtion Thus the State is in possession of complete information about the number, and weight of all classes of money tokens manufactured in its own mint and their metallic composition and the amount of currency on which various dues are paid by private parties to enable them to put it in circulation. So far as circulation of coined money is concerned, it is dependent on the declaration by the State of its authenticity as regards weight, value, etc The State also acts on the knowledge of current rates of exchange in the determination of which it may be supposed to take the advice of those who are experts in commercial affairs It has been already noted that the State mints three principal varieties of coins—gold, silver and copper If such coins are to be in circulation simultaneously in the same region, and are also required for foreign trade, a proper knowledge of the rates of exchange may enable the State if it wants, to regulate the amount of currency to be issued in each of these varieties and to control the output of the mint accordingly. With no such policy behind the process the tendency may be to acknowledge, and even to foster the growth of a money aristocracy, to whom currency is a form of wealth whose usefulness is not strictly limited as a medium of exchange in trade and commerce, but which can also be hoarded to any extent desired much surpassing the requirements of the actual estimated circulation, and released only, as occasion favours when profits can be made, due to a rise in their value Only rich men can have bullion to be minted as money Private persons, who are possessors of stocks of coined money, may use part of it for trade purposes and hoard the rest to influence the market in various ways so as to serve their own group interests as far as possible They may trade in money tokens in foreign lands to fetch a higher value for their metallic content than possible under regulated trade conditions in their own country Their wealth may not contribute to the wealth and prosperity of the society as a whole unless it is devoted, instead of being hoarded to objects of trade and industry, The money would remain idle and by being used in a clever manner be a source of profit only to those who possess it and conveniently hold it in reserve

# CHAPTER VIII

## *Wage-Structure and State Employment*

It is usual under Kautilya's system to make payments of salaries to State employees in cash.[1] Appointments and salaries are to be in accordance with administrative requirements, subject perhaps to the provision that the cost involved must not exceed one-fourth of the State's income (*samudayapādena*).[2] It may, therefore, be assumed that the services, as detailed in his work, represent the needs of a State, which it can meet without being disproportionately expensive on its administrative side. If the total number of Government servants of all classes and other salaried persons is known, it may appear to be possible by way of inference to estimate also the total income of the State, if not otherwise known, but the proportion regularised in a set principle can hardly be expected to work as a rigid formula under conditions which may differ due to variations in revenue collections after appointments have been made and to other similar factors. Repeated periodic retrenchments with an uncertainty of tenure of service as an unavoidable feature will occur if the balance is to be maintained with the severity of an unalterable dictum. The most important thing for the State is to maintain its financial stability. An expensive administration may cause financial troubles too difficult to cope with. The question of the fixation of salaries for Government employees is to be considered from the standpoints of economy and efficiency. Kauṭilya is aware of the danger of giving low salaries, where higher ones are deserved[3] Adequate salaries must be offered to ensure efficient discharge of duties. The salary must be such as can keep up the physical fitness of the incumbent and is sufficiently attractive as an incentive to the performance of the work entrusted to him.[4] The pithy saying that *dharma* and *artha* should not be tortured may be interpreted to mean that the policy underlying the determination of salaries should be dictated in deserving cases by the moral principle of justice as well as by the economic consideration that being close fisted in this matter may ultimately lead to financial loss rather than any material gain. Unless wages offered are proper and

just, Government servants may yield to temptation and thus bring harm to the administration Emphasis is laid more on the higher branches of service than on the subordinate ones presumably because opportunities for bribery and corruption are believed to be usually more numerous and extensive in their cases than in those of employees of lower grades If the incumbents of the higher posts yield to temptation, they may do the greatest harm to the State [5] Salaries offered vary from 48,000 *panas* to 60 *panas* per annum The broad field of administration thus exhibits a classification of the staff into numerous groups based on distinctions in wealth, not to speak of ranks If service is allowed to become hereditary as a general rule this classification will be perpetuated, with the result that servicemen will in many cases remain divided into hereditary groups of families, the wealthiest of them getting 48 000 *panas* per year and the poorest only 60 *panas*, as shown in the following enumeration [6]

1. Those who receive a salary of 48 000 *panas* each per annum constitute the highest class The group consists of the heir apparent, i e, the Crown Prince the mother of the king the queen the sacrificial priests, the *mantrins*, the teacher, and the commander of the army It may be noted that the amounts paid to the queen and the queen mother, probably due to them by virtue of their position in the royal household are not of the nature of salaries in the usual sense of the term
2. 24 000 *Pana* Group This group comprises the door keeper, the Superintendent of the women's apartments (*antarvamsika*) the *prasastri* the 'collector general' and the chamberlain
3. 12 000 *Pana* Group, which consists of the prince, Kumara (or princes other than the Crown Prince) mother of Princes, *nayaka* (probably the Chief Police Officer) [7] the judges of the cities (*vyavaharika*) [8] the Superintendent of manufactories (*karmantika*) members of the Council of ministers (*mantriparishad*), the superintendents of countryparts and the frontiers

4 8,000 *Pana* Group comprising the chiefs of military formations the chiefs of elephants, of horses, of chariots, and of infantry, and commissioners (*pradeshtārah*)[9]

5 4 000 *Pana* Group consisting of the superintendents respectively of infantry, cavalry, chariots, and of elephants, the guards of timber and elephant forests

6 2 000 *Pana* Group consisting of the chariot driver, the physician of the army, the trainer of horses the carpenter and the Yoniposhakas (those who rear animals ?)[10]

7 1 000 *Pana* Group consisting of the fore-teller, the reader of omens, the astrologer, the reader of *Purānas* the story-teller, the bard (*māgadha*), the retinue of the priest, and all superintendents of departments

8 500 *Pana* Group comprising artists (*śilpavantah*) trained soldiers (pādatāh), experts in accountancy and drafting

9 250 *Pana-Group* represented by musicians (*kuśilavas*) A trumpeter (*tūryakara*) is to be given double this amount.

10. 120 *Pana Group* consisting of craftsmen and artisans (*karusilpinah*)

11. 60 *Pana Group* comprising menials tending quadrupeds and bipeds, attendants guards those who control unfree labour etc.

Persons who serve in the department of espionage are to be treated as a class apart and have been separately mentioned The higher posts in this department viz , those of the *kāpatika* (the deceitful person), the *udāsthita*, the *grihapatika* (householder), *tāpasa* (ascetic) and the *vaidehaka* (trader), carry the maximum salary of 1000 *panas* each Ordinary spies are paid at the rate of 250 *panas* each or on the basis of work actually done Fiery spies, poisoners and female mendicants are paid at the rate of 500 *panas* Village servants are paid at the rate of 500 *panas*, and messengers are paid only when they have done some job Some people serve on specific occasions in special capacities only It does not seem probable that they have to get any fixed salary for the whole year. Among these the person, specially honoured in the *rājasūya* and other sacri-

fices, gets three times the amount paid to others of equal learning, and the charioteer of the king (present in the sacrifices), who get 1000 *panas*. It is likely that these sums are paid to them at a time after they have given their services on these specified occasions.

A messenger of middle rank or ordinary ability is to get 10 *panas* for a distance of one *yojana* covered by him, but this rate is increased when he has to travel between 10 and 100 *yojanas*, when the allowance is to be doubled. It is difficult to say whether this is to be paid to him as *vetana* or wages in addition to a travelling allowance, but it may be noted that a messenger does not figure in any one of the salary-groups mentioned above, which seems to show that they do not have to belong to the parmanent staff. Certain other classes of servants have been mentioned separately, whose salary ranges between 500 and 1000 *panas*. These comprise the *Ārayayukta*, the elephant-driver, the dwarf (*mānavaka*), miners of mountains (*śailakhanaka*), the (*ārohaka*), attendants, teachers and other learned men [11] Curiously, learned men and teachers, i.e., intellectuals, have been indistinguishably lumped together with elephant-drivers and miners as drawing the same remuneration.

It is evident that we do not come across any scales of pay where the salary rises through stages up to a fixed limit. Only in the case of the last named miscellaneous group comprising teachers etc., it is shown that the salary to be offered is to be in accordance with merit. But this rule applies to the original settlement of wages and no increase as in a scale of pay. In regard to the first four groups some definite principles are followed in the determination of salaries offered in the different cases concerned. Thus, so far as the first group is concerned, it is said that the salary offered is such as may be considered suitable on the ground of its sufficiency to check the desire for gratification and keep its recipients contented.[12] To the members of the second group, the salary may appear as good enough for the purpose of inducing them to give their best services. Similarly the rate for the members of the third group is thought sufficiently attractive to keep them attached to the king and to secure their support and assistance.[13]

With the salary fixed for the members of the fourth group, it is expected that the different military officers who belong to that category will be able to maintain their high status amongst their respective subordinates[14] Thus salaries ranging between 8,000 and 48,000 *panas*, as provided for the first four groups, are considered high no doubt, but then the rates are justified for reasons of personal influence, prestige, and efficiency, as well as the necessity of securing loyal services of relatively rare and specialised types, and of maintaining incorruptibility in the administration. Members of the first three groups deserve their salaries because they can earn more elsewhere, if they like, on account of their merit and qualifications, a lesser offer, therfore, will be of no consequence, the salaries which they get will keep them contented and induce them to serve honestly and not yield to temptations They are the men who can do the greatest mischief to the State if they become corrupt But the salary paid to military chiefs, those whose rank is inferior to that of the Commander in chief, is justified on the ground that if a lower salary is offered, these officers will not be able to maintain their influence in their respective spheres Thus it is clear that the State believes in the theory that the payment of a high salary is in some cases desirable for the sake of prestige A high salary is needed to buy loyal services Administration recognises and promotes sharp class distinctions in official circles Chiefs of military formations who are of the 8000 *pana* cadre etc are just outside the highest administrative aristocracy, the influence, they command if viewed apart from the authority which they exercise by virtue of their office, is at least partly due to the emoluments granted to them by the State The influence in their case is due to the office which they hold, rather than to their intrinsic importance, as being of a class standing on its own footing of eminence which the State has no other alternative but to recognise in the distribution of emoluments Where a higher salary is recognised as an official hall mark of influence and dignity, those who are paid the lowest wages have surely little of them Viewed in this light, artisans and carpenters occupy a very humble position indeed, because they get only 120 *panas* a year Those who are engaged in industrial work

are very poor people and devoid of the status which wealth begets There is no intention of the State to improve their position either. The attention paid by Kautilya to industrial expansion and development for the purpose of increasing the financial resources of the State is not accompanied by the enunciation of a policy to advance the economic position of industrial labourers by raising the standard of their wages. Kautilya only emphasises that there should be no attempt to deny a labourer what he is appointed to get in return for the work to be done by him. Economic expansion is to be brought about by the utmost possible utilisation of labour but with no thought given to the mitigation of its hardships[14] When the State gives these labourers such low wages, private merchants and industrialists may not ordinarily act otherwise. With such small wages it may not be possible for a family to maintain itself unless all its able bodied members work together. If there is sufficient employment, industrial and agricultural classes can just be saved from starvation. Further deductions can be attempted from an examination of the salary system of Kautilya, while an ordinary artisan or carpenter is paid the low wages of 120 *panas* per year, the State Carpenter, probably attaining to that position through hereditary skill and personal efficiency in his craft, draws the salary of 2000 *panas* a year.[15] The Kautilyan system thus obviously draws a distinction between ordinary industrial labour and highly skilled labour, prescribing rates of wages based on this principle of distinction. Manual workers, such as servants employed in attending to animals are paid wages lower than those given to artisans etc. Similarly, amongst miners those who have to do the difficult job of mining in hills, are given higher wages, eight times more than the salary paid to an ordinary artisan. As there are no grades intermediate between 120 and 2000 *panas*, there seems to be no attempt to further subdivide the industrial workers, and compartmentalise these two wage groups in a manner corresponding to differences in the degree and nature of specialisation. Although the principle that wages are to be based on considerations of skill and existing market conditions has gained recognition, with indications that payment is made in terms of the actual outturn of work, Kautilya,

however, in giving details of salaries, mentions only fixed annual salaries. The highest paid village officers do not get more than 500 *panas* a year, though members of the third group, amongst whom are included Superintendents of countryparts, get 12000 *panas*. The State is not interested merely in securing a good revenue and making a good income. It also spends some part of its income on the maintenance of a department of traditional culture, though not formally constituted as such, by paying fixed salaries to reciters of Purānas, ancient legends, bards, musicians, teachers, learned men, astrologers, interpreters of omens, etc.[18] The State also spends money on rituals, the performance of which is interpreted as a royal duty. Priests and others taking part in these rituals receive wages for their work like different administrative functionaries. If the influence of ritualism and traditional culture grows, secular interests, as sponsored by Kautilya in his planning for economic expansion, may lose their basic importance or be overlooked. But what acts as a counterpoise against the weight of tradition is that except for the special position enjoyed by the priesthood, caste differences have not been used as a basis for the apportionment of salaries, although in fact artisans and others who are given low wages may belong to Śudra and similar other inferior communities. Again the growth of an administrative hierarchy exclusively on a hereditary principle does not seem to be on the lines of Kautilya's thinking, in his system appointments and promotions in many fields of service depend on individual merit, skill and integrity of character.[17]

But there is no hint of a policy to attempt even on a moderate scale to remove the glaring disparity in wages, which is a reflex of the economic order represented in Kautilya's system. While in connection with the settlement of salaries the cases of the higher cadres are supported with reasons, the lower ones are just noticed without any explanatory clause attached to the provision applying to them. This is because the services expected from the lower divisions are such as are believed to be available at the rates of remuneration specified for them, without any argument being required to be put forward for raising their standard of living. As it is held that the State's duty is to provide allowances (wages) to its employees which must be sufficient for their

maintenance, it may be inferred that although the allowances mentioned look disappointingly meagre according to the modern standard, still they can meet the requirements of subsistence of the inconspicuous low-income groups.

It may be noted, however, that there are some benefits and prospects to be enjoyed by Government employees, which are of special importance to those among them, who, because of their low remuneration are unable to make any provision for the future. Thus it is said that pensions[18] are to be provided for the families of those who die while in service, as well as aged ex service men, besides some favour may also be shown to relations of deceased persons, and help extended 'on occasions of funerals, sickness, or child birth'. These provisions on the one hand show the sympathetic outlook of the State so far as its own servants are concerned, and on the other reveal that the prescribed wages are not sufficient to leave a margin to meet the cost of normal events in the social and family life of an employee. To keep labour cheap seems to be more in accord with the policy of the State than raising its standard. The allowances paid are in excess of wages, and the people concerned may be led to believe that their work cannot fetch them a higher income, what is given in the shape of allowances and gifts on special occasions not being earned but received as a sort of favour. A wage-earner may not feel honoured when he thinks he receives something *ex gratia*. He may claim that the value of his work is more than he is paid for it and that if it is given as his salary he may not have to be in perpetual want.

It is a conventional sense of justice that is behind all that the State does for its people[19] Thus it is laid down that when help is needed, the king may give forest produce, cattle or fields together with some *hiranya*[20] There is no doubt that many people can be benefited under this system, which may indeed be called magnanimous No doubt, by this policy the State will also be ultimately benefited The resettled and rehabilitated people will gradually form a part of the tax paying population, and will be able to liquidate any debts which they may owe to the State. A similar provision is embodied in this connexion according to which if the king wants to colonise waste lands, he should make payments in *hiranya*.[21] This

provision, however, aims at development of waste lands under private enterprise, though State-aided. The former provision shows a state of want and penury among many people; those having no resources of their own are compelled to seek State-aid in being resettled. But there is no effort to find out the causes of this widespread want among the people and to formulate a policy to reduce want and poverty. The Government only seeks to mitigate the sufferings of the people by giving them temporary occasional relief.

Some system of payment in kind seems to be hinted at in the chapter which deals with rations. Probably the supply of provisions is by way of addition to the salary drawn, but this may be so arranged as to be in lieu of a certain proportion of wages. This inference may be drawn from the pithy statement that 'substituting one *āḍhaka* for the salary of 60 *paṇas*', payment in *hiraṇya* (money?) 'may be commuted for that in kind'.[22] As the Government's income is both in money and in kind, payments to the staff may be made in both, in accordance with mutual convenience. The gift of a village to a servant is not usual, but when a village is given away, its affairs begin to be regulated in a way different from that in which those of other villages are managed.

# CHAPTER IX

## *Rationing in State Departments*

The State in the Arthaśāstra follows in practice a strict policy of control over food consumption in the different branches of its administration. Articles of foodstuff and fodder are to be supplied for use by men and animals in the service of the State in measured quantities and proportions according to fixed scales. Where large numbers are involved as in the various State departments, average standards of maintenance are to be formulated, which can apply to all members of the consuming classes, for which they are intended, though they may not give satisfaction to individual tastes and appetites. To understand the value of rationing from experience in the field where it is at work is to pave the way for its application on a wider scale, if required. The State's scheme of rationing may as well be adopted by private employers of labour including dealers in various classes of animals. The controlled rates may be taken as representing reasonably permissible limits of human and animal consumption to the extent of the employer's liability to feed their dependants. Rationing, to be in force, is shown as a feature of the normal course of administration, and not as an indication of austerity connected with conditions of a chronic shortage of production. The State must be left with enough of its farm products to be disposed of through trade to earn a good return after consumption by its establishments, the limits of which must be prudently regulated. That actual physical needs are not overlooked is clear from the fact that separate scales are mentioned for men, women and children, as well as for different classes of animals based on an appreciation of their varying capacity for consumption. Thus it is advised that the ration for a horse must increase proportionately as it grows in age according to certain rates up to the fourth year, when the maximum scale is to be reached.[1] The different elements of fodder have to be determined with an eye on, or an estimate of, the physical requirements of the particular class of

animals to be fed. In the case of a bullock, for instance it is said that in addition to a fixed share of cooked barley, it is to be given one *tula* of oilcakes or ten *ādhakas* of bran.[2] That economy is one of the motives underlying the control policy may be easily admitted from the instructions delivered to the Superintendent of horses on the need for its observance in the distribution of the provisions received from the stores[3] Rations for men and animals are to be distributed from the State's storehouse where are collected foodstuffs produced on royal lands and those on private holdings representing the king's share as the agricultural tax to which he is entitled etc. The King's store is under the charge of a Superintendent who works in the matter of the distribution of rations in co operation with the Superintendents of horses and elephants respectively. As regards rations for human beings, different quantities are fixed for men, women and children, but what is specially significant is that a distinction is drawn between an *Ārya* and an *Avara*,[4] i e , a member of a low caste, in regard to shares of rations

The distinction between an *Ārya* and an *Avara*, though not explicitly stated, may be presumed to be such a living factor in the related socio economic system that the State is persuaded to regard it as the basis of a preferential dietary provision. The existing inequality between the *Ārya* and the *Avara* in their respective standards of living seems to be the justification of the State's discrimination in the rationing scheme. It has no policy of equalising the differing standards by prescribing the same meals for both The tables of rations adopted by the State may reasonably be supposed to be based on an average calculation of dietary requirements differing on grounds of sex and also of the age and social stratum to which the person concerned belongs What is provided may be taken as the irreducible minimum, since, for the State, economising the consumption of its own resources of foodstuff, must be an aim constantly kept in view as the surplus is required for trade It goes without saying that for the distributing centres it is essential to keep registers according to sex, age and caste, and of animals according to species and service From the detailed figures regarding the numerical strength and composition of the army and the commissariat, as furnished

by the Classical sources, some idea might be formed on a conjectural basis as to what could have been the total food requirements of the military departments of Chandragupta Maurya if the schedules of rations, contained in the Arthaśāstra, were applied. But even this estimate with its inevitable drawbacks, being limited to the Army only, would be incomplete since no figures are available for the other departments of the State.

Supply of provisions in some departments may be regarded as an item in the cost of production in the public sector in addition to wages to be paid to employees.

For the determination of quotas human beings, as already mentioned, are firstly divided into two broad classes, viz., *Āryas* and *Avaras*, this difference may be supposed to be based on social and economic grounds Secondly, both are subdivided into three categories each, viz, grown-up men, women and children. This division is made on the ground that the rate of consumption by a man is to be taken as less than that by a woman, and also that children consume less than adults. Rations mentioned in every case are considered suitable or sufficient for one meal only.

It is to be noted that between an *Ārya* and an *Avara*, so far as the quantity of cereals to be distributed is concerned, there seems to be no difference, it being fixed for both at one *prastha* which is equivalent to 1/16 *drona* Now the *drona* for servants is said to be different from the public *drona* by 12½ *māshas*. Thus a public measure is subject to a certain depreciation when its use is applied by the State to its employees In so far as the difference is to be followed in the distribution of rations, an employee will receive them in quantities which are less by a certain percentage than if measured on the basis of the current public standard. Consequently the rations to which the employee's standard is applied will represent a smaller value in the market. Besides one *prastha* of rice, an *Ārya* is entitled to 1/4 *prastha* of *sūpa* (curry), as well as clarified butter or oil weighing 1/16 *prastha* An *Avara* on the other hand is to have 1/6 *prastha* of *sūpa*, instead of 1/4 as fixed for an Ārya, and 1/32 instead of 1/16 *prastha* of oil There seems to be no provision for butter in the case of an *Avara*.

According as a woman is an *Ārya* or an *Avara* her total rations should be one-fourth of those fixed either for the *Arya* group or the *Avara* group of males as the case may be and one-eighth for children on the same principle of calculation. Thus rations are fixed on the understanding that a woman consumes one-fourth of what a male adult does and a child its one-eighth. Regarding the quality of the rice to the supplied, the selection is to be made in consideration of habits, service and rank. Out of *Śāli* of different grades varying quantities of rice are produced, the finest of them being the smallest in quantity in comparison with the other varieties. Five *dronas* or twenty *ādhakas* being taken as the common measure of *Śāli*, the yield varies from twelve to five *ādhakas* the difference between each preceding *variety* and the one following it being of one *ādhaka* only. The first or the coarsest variety (i.e., twelve *ādhakas*), is meant for the consumption of young elephants, the second (eleven *ādhakas*) of rude elephants, the third (ten *ādhakas*) of elephants employed for riding, the fourth (nine *ādhakas*) of those used for war purposes, the fifth (eight *ādhakas*) of infantry, the sixth (seven *ādhakas*) of military chiefs, the seventh (six *ādhakas*) of queens and princes, and the eighth (five *ādhakas*) for the use of kings[6] The rations, it will appear, comprise rice, salt, oil, or, in some cases butter as an alternative. References are also made to salt, sugar, curd and pungent substances required for the preparation of meat, fish, vegetarian (*śāka*) and other dry (*śushkānām*) dishes. Different proportions of these ingredients are to be mixed up with flesh etc, of different quantities It is not clear if these preparations are included among rations *Sūpa* (soup, broth), also some kind of fat, oil or butter are separately mentioned in connection with rations when the *sūpa* cannot be made without either or both. Is prepared food to be distributed also? If so, what is the *per capita* consumption when the preparation consists of twenty *palas* of flesh dressed with half a *kudumba* of oil, one *pala* of salt, one *pala* of sugar, two *dharanas* of spices and a half *prastha* of curd? If greater quantities of flesh are used, the same ingredients are to be proportionately increased. Thus twenty *palas* of flesh serves as a unit for the calculation of the proportionate quantities of the different

ingredients required to be used with it. These directions are probably given for the guidance of the royal kitchen or of any special kitchen run by the State for any particular establishment such as a military department. It should be noted that the utility of sugar, salt, pungent substances and curd as mentioned here is shown only in respect of the dressing of flesh, fried fish, etc. Whether a poor man's daily diet is to include these items is problematical. But the culinary instructions provided in this context are of some value in showing how it is seriously attempted to put a curb on waste and extravagance in the use of certain essential articles of food value, to which a limit is set in pursuance of the State's policy of regulating consumption.

We may next proceed to consider rates of allotment for birds, animals etc , of different kinds.[6] The typical animals mentioned are elephants, horses, camels bullocks, buffaloes, boars, dogs, goats, asses deer; birds include geese, herons, peacocks In some instances differences in rations are to be supported on the ground of age or capacity as noted, for example, in the case of horses or elephants of different sizes. Rations for a bullock comprise one *drona* of barley cooked with other ingredients as prescribed for horses, besides one *tulā* of oilcakes or ten *ādhakas* of bran, for a buffalo or a camel twice the above quantity, for asses and some varieties of deer half a *drona*, for an antelope one *ādhaka*, for a goat, a ram and a boar half an *ādhaka* or one *ādhaka* of grain with bran, for a dog one *prastha* of cooked rice, for a *haṁsa*, a heron and a peacock half a *prastha*, in the department of Superintendent of horses, for a colt, ten days old, one *kudumba* of flour mixed with 1/4 *kudumba* of clarified butter, and one *prastha* of milk until the age, is six months[7] This quota is to be increased by a half in each successive month, in addition to one *prastha* of barley till it completes the age of three years when the provision will be further increased by one *drona* of barley which is to continue till the age of four years[8] This is the normal diet for a grown-up serviceable horse. For the best horse two *dronas* of rice (*śali*, *vrīhi*), barley, panic seeds (*priyangu*), cooked *mudga* or *māsha*, one *prastha* of oil, 5 *palas* of salt, 50 *palas* of flesh, 1 *adhaka* of broth (*rasa*)

or 2 *ādhakas* of curd 5 *palas* of sugar, in addition to 1 *prastha* of surā (liquor) or 2 *prasthas* of milk, quantities of some rations differ according as the horse is of large, medium or lower size A draught horse is to be given the diet prescribed for the best horse In the department of the Superintendent of elephants[9] an elephant (of seven or eight *aratnis* in height) is to be given 1 *drona* of rice, 1/2 *ādhaka* of oil, 3 *prasthas* of butter, 10 *palas* of salt, 50 *palas* of flesh, 1 *ādhaka* of broth or 2 *ādhakas* of curd, in addition to 10 *palas* of *kshāra* (molasses), 1 *ādhaka* of liquor, or 2 *ādhakas* of milk, for elephants of a lesser height the diet is to be proportionately reduced Additional rations are to be supplied in certain cases. Thus for elephants of the usual height the following must be provided 1 *prastha* of oil for bodily treatment, a further 1/8 *prastha* of oil for the same use and for lighting purposes in the stable, 2 *bhāras* of green feed and 2½ *bhāras* of dry grass In special cases additional rations are provided also for horses, consisting of one *prastha* of oil (for injection), 1 *kudumba* of oil for nasal use, 10 *palas* of soft grass, 20 *palas* of ordinary grass and hay-stalk or grass sufficient to cover an area of 6 *aratnis*, which is supposed by some to form a bedding for the horse Special hygienic rations are distributed as suited to particular conditions of health Thus a steed that has just given birth to a colt is to be provided for the first three days with 1 *prastha* of clarified butter, afterwards with one *prastha* of flour (*saktu*) and medicated oil for ten nights The chapter dealing with the functions of the Superintendent of cows[10] contains some particulars regarding rations for animals which are not the same as those noticed above to be found in the other relevant chapters applying to bulls, cows, mules, asses, buffaloes and camels whose rations are specified in the chapter dealing with the duties and functions attached to the office of the Superintendent of the Government Store house [11] But the particulars in the chapter on the Superintendent of cows are given in connexion with the rights and duties of the cowherds, apparently those employed by the State, and these go to illustrate the manner 'of rearing heads of cattle', Rations for a special type of bulls

to be taken care of under the supervision of the department of cattle for their having a high speed and carrying capacity include half a *bhāra* of meadow grass, one *tulā* (100 *palas*) of oil cakes, 10 *ādhakas* of bran, 5 *palas* of salt, 1 *kudumba* of oil 1 *prastha* of drink, 1 *tulā* of flesh, 1 *ādhaka* of curd, 1 *drona* of barley or of cooked māsha, 1 *drona* of milk, or half an *ādhaka* of surā, 1 *prastha* of oil or fat, 10 *palas* of sugar, with 1 *pala* of ginger as an alternative drink. Some of these are believed to have a special utility in ensuring serviceability of the beast for which they are meant. The same items reduced in quantity are prescribed for mules, cows and asses Double the quantity of the above commodities is fixed for buffaloes and camels. The diet of draught oxen and cows supplying milk is to be in proportion respectively to the duration of their service and the quality of milk yielded. Rations are thus determined not merely on the basis of what an animal actually needs for its bare sustenance, but also from the utilitarian point of view.

# CHAPTER X

## *Economic Pressure The State in Financial Trouble*

Income, derived from the current sources of revenue, may be supposed to balance the needs of the functioning of the Kautilyan State in normal times, but if the Treasury (*kośa*) for some reason or other is in peril,[1] unusual rates of taxes and methods of their collection are to be resorted to The underlying theory seems to be that as no country can exist without a government, even harsh taxation if it can help prevent its financial breakdown, is justified. Even immoral and irreligious methods may be tried, if necessary, for the purpose of making an extra income But the proposed steps are to be adopted only when circumstances demand it The question as to how the treasury is reduced to emptiness calling for extra-ordinary measures to tackle the problem created by it, is not a point for discussion in the context. It may be presumed that a protracted war carried on at great cost may sometimes be a cause of exhaustion of available resources In such a contingency the State cannot afford to follow a policy of slow and gradual rehabilitation only Drastic remedies have to be proposed which alone can give some sort of immediate relief, though not forming a permanent feature of the economy The policy recommended is primarily one of increased taxation, imposition of new taxes including a tax on income in some cases at least, collecting nominally voluntary donations from wealthy persons, spoliation of religious institutions, extortion of the rich specially the critics of the government, through methods which in private morality may be regarded as seriously offensive to the sanctity of life and property. It may be interesting to note that the question of the necessity of giving special attention to the development of the State's own trade and industry is not raised in the planning to remove the insufficiency of its finances The deficit contemplated is of such an extent that it seems the State is not in a position to carry on its economic functions although curiously enough the people are still

left with resources to be able to bear the strain of its heavy demands. No anxiety is felt on the score of a probable opposition against proposals which may hit individual citizens hard. This may indicate that the deficit is not one due to immoral spending on the part of the king. The fact that new avenues of taxation can still be exploited may go to show that prior taxation has not been so sweeping and oppressive as to render fresh realisations impossible.

But even in this hour of difficulty the State cannot overlook economic factors which are believed to have a permanent importance Thus taxation must not be ruthless in regard to such agricultural interests as need to be protected up to a limit. If that limit is transgressed it may be temporarily helpful but in no distant future bring about a fall in production which will be harmful to the people, and consequently to some extent, the State also. Thus the policy of increased taxation is to be one of caution and foresight. It is proposed that a demand of one-third or one-fourth of the produce can be made only in naturally fertile areas i. e., where artificial irrigation at the cost of the peasantry is not needed.[2] Secondly, it is held that the rate is to be fixed between the two alternatives according to the capacity of the persons concerned where the production has not been inconsiderable. As the rate is to be settled according to capacity, it is clear that to apply the rule, the actual production is to be estimated and not merely the richness of the soil. As production is less in areas where soil is of inferior quality taxation there must not be at these increased rates. Similarly, the burden of over taxation is not to be imposed on those whose help is needed in the execution of projects connected with industrial, agricultural and other departments[3] In these cases the resources of the people are to be conserved in expectation of a more prosperous economy and not to be drawn upon for any immediate gain. Thus the policy is to make the richer section of the peasantry or those who hold lands in fertile areas of high productive calibre to contribute more, and to grant exemption from this liability where the cause of production and development may suffer through high taxation. There is a further check on State demands under the rule granting exemption to the people

living on the border on the principle that those who have little to spare (*alpapramānām*) should not be approached.[4] Thus, however depressing the financial position may be, indigent people are not permitted to be fleeced. Probably hardship on poor border-people is disallowed also in apprehension of an unfavourable political reaction. Along with measures for over-taxation for handy relief, steps are simultaneously taken for the development of waste-land by offering grain, cattle and *hiranya*. To tide over its present financial difficulties the State is further advised to buy a portion of agricultural produce by paying its price through the medium of *hiranya*.[5] In this case also a ceiling has been put on the quantity that may be purchased. The State cannot demand the whole stock even by making tempting offers. A sufficient portion should be left to provide seeds for future cultivation and to meet subsistence requirements. The maximum that may be purchased is one fourth of what remains after such deductions as well as of the payment of the usual royal share. The producer may be left with a margin for disposal by sale or othewise. Under the arrangement, however, the *one-fourth* may mean more when it is to be exchanged for *hiranya* which may tempt the peasant to economise his own needs. In such circumstances the stock acquired by the State may be much greater than it can secure otherwise, i e., not by offering to buy in terms of *hiranya*. The property of Brahmins and forest tribes, not usually taxed, may even respond to such an offer. They may be inclined to part with surplus stocks if they have any. These measures proving inadequate, the State is further advised to launch a '*grow more food*' campaign.[6] Employees of the Chief Collector (*Samāhartripurushāh*) have to raise crops through cultivators evidently as a measure to improve the prospects of royal collection and income out of the additional produce under a threat of serious punishment for any loss due to negligence. The royal employees, in a manner and for purposes as specified, have to draw up a record of the seeds sown or the seedlings so that the output may be checked with its help and be available with small deductions which are allowed.[7] It appears that in times of emergency it is considered to be of particular importance that cultivators should declare their products truthfully

and not hide them to evade State demands. Even death-penalty may be imposed in some cases if the crops of another person are stolen. These are in the nature of regulations required to be in force during a period of want and difficulty. Extra demands in times of financial stringency are classed under the category of so-called '*pranaya*' or benevolences.[8] The list of impositions of this class levied on the cultivators (*iti karshakeshu pranayah*) include one-fourth of their grain-produce and one-sixth of the forest produce (*vanyānām*), also shares of commodities, such as cotton, lac, fabrics, barks of trees, hemp, wool, silk, medicines, perfumes, flowers, fruits, vegetables, firewood, bamboo, flesh, etc., and a share fixed at one-half of ivory and skins of animals. These go to exceed the normal collections made by the State at the source and the usual taxes on sales in the market. The commodities, mentioned in this connection, are not legally allowed to be sold unless it is certified that the king's demands, as stated have been fully met (*anisrishtam pūrvah sāhasa-dandah*).[9] It is not clear, however, whether a fresh payment is to be made to obtain this certificate. The standard sale taxes are not enhanced, what the effect on costs and prices may be, due to the new extraordinary demands of the State, is a matter of guess. Prices which are current under normal conditions of trade can not remain stationary when producers have to make up for their losses, and merchants to pay the new unusual taxes, when the State itself is possibly so desperately anxious to ease its financial strain, that it may be driven to the necessity of disposing of its stocks of commodities, not excepting those acquired as *pranaya*, at higher rates Under such circumstances it may not be possible for consumers to remain unaffected. Additional taxes are also imposed on merchants in the name of *pranaya* (*iti vyavahārishu pranayah*)[10] They are to be divided into three classes according to the nature of the commodities, in which they trade, for purposes of such special taxation. In the first place, are those who deal in gold, silver, diamonds, gems, pearls, horses and elephants—undoubtedly the richest members of the trading community, they are obliged to pay 50 mark *kara*[11] each. The second consists of those dealing in cotton threads, cloths, copper, bronze, sandal, medicinal herbs and

liquor, who have to pay 40 mark *kara* each. From merchants who trade in grains, liquids, iron (*loha*) and carts, belonging to the third category, the amount of 30-mark *kara* is collected from each as an extra tax. The next group is composed of those who trade in glass (*kācha*) and superior craftsmen (*mahākāravah*), from whom the tax is charged at the rate af 20-mark *kara* which is reduced to ten-mark *kara* for small artisans (*kshudrakāravah*). Even those who trade in firewood, bamboo, vessels made of stone or earth, cooked rice and vegetables are not excepted, being required to pay 5-mark *kara* each. Thus the rates of this particular kind of tax seem to vary from 50-mark to 5-mark *kara*. It is to be noted here that the lists of commodities mentioned above include many of those referred to in connection with the collection at the rate of one-sixth from the producers, This tax is indicated to be paid in the shape of *kara* imposed on merchants who deal in the same articles as an additional one in respect of those commodities, As the tax named in this case as *pranaya* is charged from *vyavahārins* (traders) it may be supposed that the artisans, comprised in the enumeration, are not only manufacturers but also dealers in their products This seems to be a compulsory professional tax for traders, with its rates having no relation to the quantity of the commodity involved,—a sort of licence fee charged from artisans, who sell their own products. It must be in addition to the usual duty charged at varying rates on sale proceeds of different classes of commodities, as mentioned elsewhere, in respect of which prices must rise as a result of such impositions being made on traders and producers

It will appear that through such indirect taxation living is bound to become comparatively expensive. Higher prices have to be paid for all sorts of necessaries of life as well as luxury articles taxed in different stages before they reach the market. Though the *kara* tax with its different rates is shown to be an emergency professional tax probably to be paid in exchange for a State permit, it is not unlikely that while trade develops and the issue of a licence becomes necessary to check corruption and dishonesty, it may be easily converted into a normal item of revenue though its rates may alter The policy towards goldsmiths (*hiranyakara*) as a

class is rigid to the extreme.[12] They are accused of holding uninvested stocks of wealth which must be seized by the State to get over its financial difficulties and no sympathy is shown for any delinquency on their part. The charge against them is so severe that the manner of dealing with them may appear morally justifiable in view of the larger interest of the State. They sell things of their own pretending that they belong to others, therefore, it may be presumed, having no personal, fiscal or other liability for such transactions. But it seems that their fate is decided even before they are given a hearing. In fact the gold acquired from them must be of great help to the State to buy certain commodities by payment in *hiranya* to replenish its stores as already mentioned. What is thus extracted from goldsmiths is yet another variety of *pranaya* imposed on traders. The difference in this case is that it is not to be collected in the form of a specified amount of tax (*kara*) akin to a temporary professional fee, as in the other instances. The entire holding even may be confiscated. Another variety of *pranaya*, representing a form of income-tax, is imposed on individuals belonging to certain specified professions, viz., actors, dancers and prostitutes.[13] This tax is to be levied at the rate of a half of their wages or earnings (*vetanārdham dadyuh*). The rate being made so high, the cost of amusements etc., must inevitably rise. This is a form of indirect taxation on patrons of the particular arts and professions indicated. The next demand is on those whose trade is connected with breeding and rearing of animals, grouped along with keepers of prostitutes the tax being shown as a *pranaya* levied on *yoniposhakas*. So far as the tax on livestock is concerned, its rates vary according to the class of animals on which the charge is based. Thus persons rearing cocks and pigs have to make over a half of their stock; those, who rear inferior animals, one sixth, those who have cows, buffaloes, asses and camels one-tenth of their possessions Variations in these rates are probably due on an average calculation of prices, to differences in the cost of rearing, capacity for breeding of the different classes of animals involved, etc. Further income as expected from keepers of prostitutes is to be collected through the employment of youthful women in the service of the king.

The extraordinary levies, so far described, are not a recurrent feature of the State's revenue system but may be collected only once for the duration of the shortfall In its effort to mitigate the difficulty in which it is placed the State expects to secure a considerably large portion of grains produced in the country by raising the rate of taxation, it purchases of surplus stocks of grains up to a limit, makes an effective appeal to the peasantry for increased production even perhaps taking over cultivation where not properly attended to, collects fines for false declarations of stocks, taxes all kinds of raw articles imposes a professional tax on merchants and on holders of livestock, taxes on incomes and seizes the hoarded wealth of goldsmiths etc

But the additional income derived from these different sources may not be enough to strengthen the financial position of the State In some cases realisations may, as we have seen, appear to be stringent and extortionate to a degree still it cannot be complained that they exceed the bounds of legitimacy if the State's finance is actually on the brink of a disaster from which it must be saved by all means But the other methods suggested for the obtainment of further relief are of a different hue Their justification may lie only in the extreme gravity of a situation for which no remedy is possible other than a desperate round of black deeds and measures of different degrees of offensiveness to the moral canon which they secretly violate The further procedure adopted to smuggle others' funds throws lurid light on accumulations on which the State is disposed to lay its hand in seeking relief from its economic distress Economic thinking has not been directed further towards analysing the genesis of such accumulations with a view to suggesting a more positive and permanent solution of an economic problem which is proposed to be tackled by temporary methods of dubious morality

Men may not be willing to part with their money voluntarily But they have to be made to contribute on false pleas A practical knowledge of how funds can be raised by fooling people is shown in the proffered suggestion that the State through the Chief Collector may issue an appeal for contributions from the citizens and country people to sponsor a particular cause or business Some people who are taken

into confidence by the State will, as pre arranged, make liberal donations for the specified purpose. The king will announce these fictitious gifts and call upon the people to donate as handsomely as they have done. Spies will move about masquerading as honest citizens and spread calumnies against those who contribute less than expected The wealthy (*ādhyāh*) people will be asked to contribute their *hiranya* to the best of their capacity. Those who give generously will be rewarded by the State with a place in the court or with other decorations.[14] It is not a clean administrative procedure by which money is raised with the help of spies and in collusion with some people who allow themselves to be falsely announced as donors This is, however, the most innocent tactical method of inducing donations, as distinguished from taxation at fixed, though, enhanced rates The ways of deceiving people by playing on their religious faiths and superstitions are many, which have to be used regardless of all moral considerations These ways succeed in an atmosphere of secrecy and make believe. They include appropriation of the wealth of deities brought to a central place after being collected from different localities of their worship as a seemingly protective measure under the direction of the *Devatādhyaksha*, i e , the officer in charge of religious affairs, whose sincerity being above suspicion, this method is most likely to succeed with the people left completely ignorant of the manner of its loss[15] Under various pretexts the belongings of heretics, of deities and of dead men are to be acquired excepting those of *Srotriyas*, even secret plunder aided by incendiarism is not out of the range. Credulous people may be made to believe in reports about the mysterious appearance of some religious or other symbols spread by appointed spies, or about some unusual phenomenon suddenly discovered, causing curiosity mixed with piety, panic or fear of death or disease, etc., which will compel them to spend money, whose secret destination, of course is the royal treasury.

Secret ways of a similar nature are suggested for grabbing the valuable possessions of the rich In this field also spies, specially trained for the purpose, are to be employed, whose disciplined conduct and manner of approach will not raise the least suspicion in regard to their assignment. In thory, if not in practice, the State is allowed

to seek relief from its financial stress and strain, if necessary, even through clandestine seizure of private property, the protection of which otherwise is an essential duty of the king This latter obligation is of such fundamental importance that it is insisted that if a stolen article cannot be recovered, the owner's loss is to be made good by the State This precept is flagrantly abused, money passes surreptitiously into the hands of the king, bringing him immediate relief, but such acts of appropriation of the wealth in whose security the rights and liabilities of so many elements are involved, may have sad repercussions on trade, in a way comparable to the effects of a Bank crash in modern times As among prospective victims of the king's rapacious policy are persons who may hold others' money for investment in business Various methods may be applied to rob them A spy in the disguise of a merchant carrying on a large business may approach a genuine merchant offering to work with him on a partnership basis When the joint business has proceeded far enough and much money has accumulated in the shape of sale-proceeds investments and deposits (*niksbepa prayogairupacitab*)[16] the spy is to announce that the entire wealth has been stolen while in reality it goes into the State treasury In like manner money may be acquired by pilferage through a spy disguised as a famous merchant collecting large quantities of silver and gold including probably coins through loans and other means open to normal trade, the loss of which in the end is attributed to theft

The greatest sufferers are the people described as *dusbya* (condemned reviled)[17] They are not among those who have been actually charged with a criminal offence and held punishable for it It seems that sometimes these people cannot be caught hold of unless a snare is laid for them But it is not difficult for some of them to be seen moving at large If caught a false charge may be framed against them sometimes but this is only a means for getting rid of them for good or confiscating their property It is not explained why they are called *dusbya* where there is scarcely any real charge against them before they are caught Again when they are punished for a got up offence which cannot be openly proved against them, it may be surmised that these

are the people whom the State cannot tolerate because of their known unfriendliness, though it is not so serious as an overt act of treason which can be openly tried It is to be understood that what the State actualy wants from them is their money, which shows that they must be men of substance, though their lives are regarded as of little consequence They are probably among those who are dissatisfied with the State's policy of high taxation, hence blacklisted and to be got rid of as undesirable persons, but the procedure leading to their apprehension starts in a conspiratorial manner when the State wants their property to meet its deficit.

Spies are employed on secret missions to apprehend these people, to cause death and confusion in their ranks or to make them disgorge their wealth under circumstances beyond control The methods to be followed expose the callousness and apathy of the State in dealing with these unfortunate people. With the help of a prostitute disguised as a chaste woman in love, it may be possible to get them arrested and have their property confiscated. This shows that some of these 'undesirable' persons usually remain in hiding to escape being punished on a regular charge lying against them. Again, a faction may be engineered between two such persons, and when the quarrel goes on, a State agent in disguise may poison one of them [18] The other man is to be held responsible for it and must lose his property by way of penalty. This policy is probably resorted to when, in spite of the absence of any regular charge against him, his property is to be confiscated on a false accusation. Persons who have no real claims against such people or any relationship with them may be tutored to make demands for repayment of unreal loans, or shares of property on various pretexts and under various disguises A spy may be appointed to murder a claimant, (an outcaste), but the responsibility for the commission of the crime will be laid at the door of the person, aimed against, who will be punished with a confiscation of his property. In short, the trap is to be laid in such a clever manner that the victim, when caught, can be held guilty of complicity in murder, manufacture of counterfeit coins, and other similar criminal activities to justify in the eyes of the public the State's measure for his financial ruin.

# CHAPTER XI

## *Evaluation of Ownership*

Ownership as a concept is neither strictly defined nor elaborated in so many words, as apart from the rules from which an understanding can be formed of the positive rights it bestows with the sanction of law. The rights are specifically those which are exercised over the object owned in different approved forms of enjoyment and disposal. So long as ownership is not held in dispute, it is to be treated as real and lawful. But if there are rival claimants regarding the incidence of ownership over a homestead property (*vāstu*), a dispute is thereby said to arise which is to be settled on the testimony of neighbours, i. e., those who can be expected in view of their first-hand local knowledge to pronounce whether, in any given case, a right has been exceeded or infringed upon. Such a dispute specifically may arise where, for instance there is a legal liability to observe building rules which do not allow any unauthorised construction that may interfere with the unobstructed enjoyment of lawful personal ownership or thereby affect or endanger public safety. In this matter private ownership is circumscribed to the extent required for reasons of common good or mutual convenience between the parties concerned. It is not open to any one to acquiesce in the ownership enjoyed by another over his homestead property and at the same time to do an act which amounts to trespass. In the circumstances three alternative courses appear to be in the contemplation of the law on *vastu*: the first is to acknowledge the existing physical limits of ownership and not to do anything which may interfere with its incidence in the form covered by the building rules, the second is to commit a trespass, the ownership not being called into question, and the third, to dispute the 'ownership' and be prepared for the taking of evidence in the matter by neighbours who will decide whether any offence has been committed. What kind of evidence is to be brought forward and relied upon in the settlement of the dispute is not indicated

This provides an illustration of how ownership in the case of an unresolved dispute may be ultimately assumed by the Crown Supposing one of the disputants is the lawful owner even then he may lose his right simply because the village elders or arbitrators do not agree collectively Where there is a conflict of claims over a field, which is also regarded as a part of *vāstu*, the case, as the rule requires, is to be taken up for adjudication with the village-elders of the neighbourhood (*sāmanta-grāmavrddhāh*)[1] If they are unable to come to a unanimous decision, reference is to be made to as many persons of good character as may be approved (i e , by the parties concerned?) Or, in the alternative, both the parties may come to a compromise by agreeing to divide the property, finally in case no settlement is reached through a compromise between the parties it is for the king to acquire the field in question perhaps in the same way as ownerless property may be occupied by the Crown. The field will then be usefully distributed by him in a suitable manner (*yathoyapakāram*) It is strange to observe that the question of true ownership, which is in dispute in the particular case, has in fact to be left undecided. What is a loss to the rightful owner, whoever he may be, is a gain for the Crown. The most important feature of the whole procedure is that it may lead to a condition in which no other solution of the dispute being available, the king first acquires a field taken out of the range of individual ownership and then makes an arrangement about its distribution in regard to which there is no provision in the context requiring a further reference even to local opinion, actively sought with legal propriety to judge the conflicting claims in the stage when the complaint is lodged In the last analysis, therefore, the State appears to act as the sole dispensing authority as if in the exercise of an absolute ultimate right in the manner of a prerogative.

This is different from a case in which ownership, held in dispute, is provable in a legal procedure, or of ownership, not established due to lack of evidence, it is rather an instance where true ownership, not being located through lawful proceedings, may run the risk of being lost due to rival claims not being reconciled.

Where a legal decision cannot be effectively pronounced due to lack of unanimity, the parties are told to settle the matter between

themselves with the result that one whose claim is real may have to share his property with the other disputant whose claim is not so. Probably most of the cases of the type in view arise out of disputes between kinsmen regarding shares of property where a compromise is more useful to save a part of the ownership than to lose it altogether, or where the threat of royal acquisition works as a move to bring the dispute to a close in mutual interests.

It is curious how at times it may become impossible to settle a question relating to ownership judicially and give a final verdict on it, although the administration is elsewhere[2] asked to have detailed accounts of fields and other immovable properties to be prepared with the greatest care and accuracy, leading, as a consequence, to a sharing of ownership by the parties to a suit, or even seizure of the disputed property by the State. It may be that such records have to be periodically revised, and possibly when a revision is in progress or expected, complaints may be made against entries in the current register, thus necessitating adjudication at the hands of the village-elders and other competent persons as mentioned above.

Boundary-marks are essential as a proof of ownership. Each village must have its own boundaries, which are of two kinds, natural and artificial (*sthāvaraih krtrimaih vā*) separating it from those which are situated in its immediate neighbourhood.[3] These boundaries must be kept in force and respected, as in the case of a private holding. If they are tampered with, it will mean an act of encroachment by one village upon another, which will disturb the economy of the whole neighbourhood involved. Sometimes boundary-marks of a village may be removed by individuals interested in extending its border at the cost of a neighbouring village for personal advantages When a dispute arises between two contiguous villages about their respective boundaries, it is not like a suit to be amicably settled by mutual co-operation. It appears on the other hand that in whatever manner the cause of the dispute may originate, the two villages practically set themselves up as contending parties, who have to appeal to a third party constituted by representatives of the neighbouring group of five or ten villages (*sāmantā pañchagrāmī daśagrāmī vā*) for an impartial settlement.[4] If it is proved that the boundary-marks have actually been

removed, the guilty will have to pay a fine which does not seem to be of the nature of a collective levy. When a boundary-mark is removed or destroyed, both the affected villages must be anxious for its restoration. The manner in which the investigation is carried on shows an impatience with the known types of violators of boundary-marks, rather than an approach, based not merely on oral evidence, to solve what at times may appear to be an issue, complicated in character in its bearing on ownership or possession. It is not a judge who has to decide a question of ownership or of boundaries of the type indicated, but an assemblage of people giving their verdict like jurors from a common sense point of view, or like the traditional *Pañchāyat* having a firm knowledge of local conditions Holdings without boundary marks are to be seized by the State and disposed of suitably.[5] Absence of boundary-marks is taken to be an evidence of defunct ownership or a sign of lapse of ownership, and appears to be a matter for investigation by the Centre to be conducted by the Crown.[6] Ownership is not a paper right ; it is required to be visibly self-evident and utilitarian.[7] When the State takes over a piece of land left without boundaries, steps are taken to put it to proper use. As utility cannot be dissociated from ownership, even a plot of land which is inalienable (*anādeya*), if it lies uncultivated, can be taken up by an outsider for cultivation, evidently without having to enter into an agreement with its rightful owner for the purpose. The person, who thus occupies another's land and cultivates it to reap the benefit of such possession, has to return the property after five years on receipt of the compensation due to him for any material improvement of the land effected at his cost during the period of his occupation (*prayāsanishkrayeṇa dadyāt*)[8] Thus temporary ownership even of non transferable property is permitted with a view to keeping cultivation going without a setback. Though the same man cannot use the holding for more than five years, there is no rule against similar use of it under the same terms and conditions by another person afterwards.

While no usurpation of homestead property by force (*prasabhyādāne vāstūni steya daṇḍaḥ*) is allowed, it may be occupied however for some reason found valid in law. What is interesting to note is that under the related section cases may occur where occupation of another's

property stands completed without a previous legal investigation of the cause leading to it. Thus where occupation is justified for some special reason, the owner cannot eject the occupant, but the latter will be bound to pay his dues probably on the basis of what appears to be a constructive agreement for a short term lease or tenancy, fixed on an exact calculation of the cost of subsistence required for the holding to yield its usefulness There may be some among landless people who may give sufficient reasons for occupying holdings under exceptional circumstances, legally admissible under the proviso, and take advantage of a system which leaves ownership unencumbered while the utility of the holdings concerned is not lost or held in suspended animation, due to non use No limit has been proposed to be put on the duration of this type of tenure, which may, therefore seem to be allowed to continue as long as the terms are lawfully observed [9]

Ownership is subject to certain other limitations also An owner is not free to operate in an unrestrained manner even in such a vital matter as the disposal of his property Thus a person cannot transfer his land or homestead by sale or mortgage to anyone he likes The scope of his choice is limited [10] Those who pay taxes for their land are permitted to sell or mortgage to taxpayers alone Again, *Brahmadeya* lands, made over to Brahmins as gifts, can be transferred only to those members of their caste enjoying similar endowments Under this rule of exclusion, a person who has no land to his credit or does not pay a land tax is debarred from purchasing any land on which a tax is charged So he has to remain landless unless the rule is altered As sale or mortgage is to be confined characteristically to the group or class represented by the owner, the value of the land involved may not under the circumstances reach the height which may have been possible without the restriction, except through bidding to be mentioned later, Special rights attach to *Brahmadeya* lands, which are based on considerations of caste, religion and culture Naturally such lands form a distinctive class by themselves, whose door cannot be thrown open to non Brahmins or even to members of the Brahmin caste who have not yet earned the status which the award of gifts of a similar type confers on their donees

The owner of a *vastu* which includes buildings, fields, gardens,

tanks, etc., is of course not denied the right of disposing of such property through sale. But this right can be exercised subject to certain well-defined conditions In the first place, he is not allowed to have his own way of carrying on negotiations and legally completing a sale-transaction with a willing party. What seems essential as a preliminary is an expression of his personal decision to put his property to sale Thereafter the procedure, until the sale is concluded by the purchaser, remains under the supervisory control of persons customarily authorised to witness the sale and have it conducted according to law [11] Besides, the choice of the purchaser is also limited, being subject to an order of priority, according to which the first preference is to be given to kinsmen (*jñatis*), failing them, neighbours (*sāmanta*), with creditors or men of wealth from amongst those who do not come under either category, being considered last of all [12] When a sale is to be held, forty men of good lineage (*kulya*) must assemble and have the necessary announcement made. As this is done in front of the house to be sold where the group congregates, the owner's confirmation is positively implied in the act The announcement is to be followed by a declaration of rights and boundaries attached to the property (*yathāsetubbogam*) also comprising fields, gardens etc , in the presence of the elders of the village or those of its neighbourhood The price is next announced thrice (*trirāghushitam*) within the hearing of all present followed by a formal invitation to purchase.[13] Presumably, if the statements made are accepted without opposition or challenge from any side, the willing party will step forward to purchase the property in question and thus will the transaction close. The forty neighbours with the village-elders also in the picture represent an element of local authority, how constituted it is not indicated, which seems to have the necessary legal competence for regulating the process of the transfer of the private ownership through sale. The owner cannot demand any price which suits him most, his expectation in this matter is evidently checked by the opinion of his forty neighbours. The price originally announced with their approval may, however, be increased by auction, but the seller himself does not get more than the originally announced price, the excess goes to the State. Generally

speaking, when a higher value (*mūlyavṛddhiḥ*), is obtainable through bidding[14] the successful bidder is sure that he will not be a loser in the game. But the seller, though knowing that his case for a higher price may be commensurate with the logic of demand and supply, is yet unable to realise it due to the double control of the community and the State. The obligation to sell preferably to *jñātis* or neighbours, if they are available, is an imperative obligation to the community, to which private ownership must bend its head; this is a limiting condition so far as his price-expectation is concerned.

It is the State treasury that receives the balance between the declared value and the value raised by bidding with a toll (*śulka*) charged against it (*mūlyavṛddhiḥ*) [15] The bidding is limited by the circumstance that it is never open to all at a time, but only to a particular group when its turn comes according to the rule of priority, as already mentioned, and also by the implication that it is to be closed with the offer of the highest price from the same group. As the amount by which the announced price is exceeded in a sale by bidding, goes wholly to the State, it may be suspected that the State will naturally welcome the prospect of its being increased by bidding to the farthest possible extent. The higher the return the greater must be its satisfaction. But there is no sign of the State's representation in the open transaction as an interested party. Yet the owner may have a feeling of deprivation or frustration when a higher value is obtained which, as the law stands, is of no material importance to him personally. He may be supposedly led to believe that the higher value is the one which is fair and legitimate and may have been within his grasp if it went with the original declaration sponsored by the forty wise neighbours. Under the circumstances he may be tempted to take another chance if the bidding is not effective because of any legal drawback. He may, for instance, wait for a future occasion when, in the light of the present offer, his case for higher price may appear reasonable. But this is probably not the way approved by the local group for a revision of the price according to the choice or convenience of the owner. The rule, if applied, helps to keep the rise in price under check by curbing the lure for a bargain on the part of the owner and thus encourages conservation of

property except when its transfer by sale for its money-value becomes a compelling necessity. The bidding is not open to all at one and the same time. When somebody belonging to a particular group as its turn arrives, offers a higher price it must be for the reason that it has a special value for his needs, which is subject to the assessment of a levy to be collected by the State from the successful bidder, while the seller will have to be contented with the receipt of the value or price as demanded, of which probably the limit, so far as his own selling interest is concerned, is set by the customary local rate. This rate may, however, rise progressively, specially in regions of growing importance. Higher value offered by the bidder may ultimately have the effect of raising a current rate.

The rules concerning *debts* define the limits of the rights and obligations involved in the relation between the creditor and the debtor. The creditor's profession is not condemned outright, in a real sense he is a power behind the market with an assured right stemming from ownership, which, like other similar rights, has its limitations. The debtor is not to be left at the mercy of the creditor. As long as the relationship between the debtor and the creditor is not submitted as an issue for legal intervention, any rate of interest *may possibly* be fixed between themselves. But if this and other terms are not fulfilled by either, the creditor may not be able to recover the amount lent or the interest due to him, or the debtor to have his grievance redressed without the help of legal proceedings. The liability for repayment of debt on the death of a debtor may have to be enforced, which again may require legal action to be taken. Circumstances like these furnish causes for the State to apply effectively rules for the control of interest whose rates have to be rationalised in accordance with its policy of regulating profits in the private sector, and thus in fact to govern the relation between the creditor and the debtor. The fixation of the rate of interest in a transaction of debt in the interest both of the creditor and the debtor can scarcely be allowed to remain in its entirety a matter for private settlement A private understanding between two parties cannot validate a loan transaction if the required conditions of legitimacy are disregarded.

When capital is borrowed for a trade, the debtor expects to pay the interest out of the profit of his investment. Not only so, the business must thrive so that the capital itself can be returned and the debt thus cleared. It is obvious, however, that one who borrows capital to use it for the purpose of his business, makes less profit due to the deduction from it of the amount of interest payable to the creditor, than the person who does not have to depend on loans in a similar occupation.

Yet the loss may not be so serious as to be a totally discouraging factor if the value of the output in a month is appreciably greater than the amount borrowed, in which case a higher percentage of profit may accrue to the debtor. The question is. if the conditions change, how can the rates of interest remain stable, or be revised if required? Thus the rates of interest must be such as to make it possible for the debtor to earn an income for himself, besides meeting the legitimate demands of the creditor. It may be presumed, therefore, that the high rates, as envisaged, testify to conditions in which profits in business derived from the sale-proceeds of its out-turn exceed payments to creditors who supply the capital.

The rates, fixed by the State, however, put a check on the bargaining spirit of the creditor. If the need for money is great, even an incredibly high rate of interest may be assented to under force of circumstances. This is what the State attempts to prevent.

The lowest rate[17] is fixed at one *pana* and a quarter per month per cent i e., for each hundred *panas* borrowed, the interest, if it is simple, will work out at 15 *panas* if the period is twelve months from the date of the borrowing calculated at the monthly rate. This appears to be the usual rate in all cases of loan, with a few noted exceptions. It may be that this rate applies when debts are incurred for domestic and similar other purposes The rates are higher, when related to trade. In case of ordinary trade (probably local) the lowest rate is five per cent per month, but this is doubled (i e, 10 per cent) in the case of those who have to travel to forest areas (generally perhaps in the pursuit of trade) Those who are engaged in overseas trade have to pay at the rate of 20 per cent which is the highest. Perhaps for one who borrows to meet a purely

personal need as for instance, probably on the occasion of a marriage, the interest is the lowest, only small capitalists accessible to him can help him in the circumstances and thrive on controlled usury within the strict limits imposed by the rule. The rate of 5 per cent per month seems to be fixed for ordinary tradesman. Though profits in trade are controlled, debtors of this class must be prepared to pay a high price for lack of capital of their own to meet the interest charges, if possible, at a greater sacrifice of the profit.

It is probable that the rate of 10 per cent is charged not because of the risk faced by the creditor in regard to loans to which it applies, but because of the certainty that this high rate can be fairly accommodated by the kind of trade in which the borrowed capital is to be engaged. The high rate is not to be taken purely as covering the risk which the creditor may be supposed to be taking in granting a loan to a person whose trade requires him to undertake a journey through difficult and dangerous routes Probably the trade indicated is of a kind devoted to the exploitation of raw materials available in dense forests with the expectation of an alluring profit which articles of special usefulness may fetch, if brought to the market In view of the cost of journey, transport etc , which, however, is to be reckoned as an essential item in the calculation of price, an ordinary trader will not venture to go on a perilous mission of developing forest resources, or of carrying commodities across regions infested with wild animals and robbers. When a comparatively large capital is needed for such trade to prosper it may be necessary for a group of men to work together and form a caravan, giving them a greater sense of security in facing the terrors of their adventurous journey. The rate of interest, high though it is, may not be felt as a heavy burden if the liability for the debt contracted is shared by a group, instead of by a single individual.[18] A debt can be incurred, as the Arthasāstra knows,[19] jointly by several persons and repaid according to a rule which comes into force if one of them dies before it is cleared A rule that applies to the procedure for repaying it may be supposed to hold good in regard to the payment of interest also The still higher rate of interest charged at 20 per cent on seafaring trader, as sanctioned by the State, can similarly be explained as being due to the creditor's apprehension

about the fate of his loan in view of the possibility of piracy or a shipwreck.

Not only the lawful profit in this branch of trade is rated higher, let alone other concessions which may be granted by the State from time to time, but joint loans by overseas traders may also mitigate the rigour of what appears to be an exceptionally high rate of interest

Capital borrowed in this and other cases may attain through successful trading a dimension, considerably higher, representing market value of the commodities dealt in when the trader may be expected to be left with a sufficient margin of the profit after meeting the dues of the creditor to keep up his interest in his avocation The high rate of interest serves a double purpose. In the first place it attracts capital It also goes to develop and stimulate the economic condition which is not possible without the required capital. If by borrowing at a high rate of interest a tradesman finds it impossible to make any profit, trade will languish. What then will the capitalists do with their money and what will be the fate of such tradesmen?, Either the economic condition in such circumstances will not remain as rigid and transparent as it appears in theory, or private trade will decline particularly in those segments where the rates of interest are high compared with profit. It is difficult to understand how state enterprise can step in to take the place of dwindling private trade A tradesman, who has to pay interest at a high rate to his creditor, cannot, for that reason, seek any special favour or concession in competing with capitalist traders in the same line of business

If borrowings are made only occasionally to meet a temporary shortage of capital in business, the rate of interest, though high, may not be ruinous to the debtor but may rather tend ultimately to improve his prospects of profit. The position may be usually different in those cases where business is entirely financed with borrowed capital on an independent basis with no sharing of the risk by the creditor in regard to the debtor's investment. If interest charges are too high in comparison with the controlled percentage of profit, it may be concluded that there is a grievous

lack of coordination between the rules applicable to debts and those governing trade and commerce.

Though the interest is fixed at a monthly rate, there seems to be no insistence on its monthly payment. If this were compulsory, a rule would have been incorporated, imposing some from of penalty on a defaulter. There is no indication that unpaid interest is to be added to the original capital and compound interest charged thereon. In the field of agriculture in which grains on a field may be lent on interest fixed at one half until the harvest, when the harvesting operations are over, the produce or its value, constituted as capital will be subject to the payment of dues or interest, may be, at the same rate.[20] The debt in question seems to be of a temporary or seasonal character and involves no relation connected with land-tenure. It may be noted further that capital, mentioned in this connection, can be invested in some business to draw an interest on it, when this is done, the capitalist's connection with the business may be supposed to be less impersonal than in a case in which he lends money to traders or others where his interest does not go beyond knowing from the prospective debtor the purpose for which it is to be used with a view to the settlement of the particular rate of interest to be charged for it. His investment in the other instance is more than casual in nature. The interest charged in the case, referred to, is a proportion of the profit arising out of the sinking of the capital. If it appears to him that the percentage of profit, thus available, is likely to be less than 50 per cent, as allowed in law, he will not, except for special reasons, probably take the risk but lend his money on usual terms, which assure him of an interest up to 20 per cent per mensem, i. e, nearly 240 per cent per year to be compared with the interest on the profit-share basis which is also payable annually. The profit may be much less than expected, but the capitalist cannot penalise the other party if this happens He will get half of the profit as interest or dividend whatever may be the amount. There is moreover a limit beyond which the interest can not accumulate in certain cases where its total exceeds an amount double th- capital Now, the maximum interest, which a capitalist can otherwise secure on his loan, is 240 per cent per year which is more than double the capital If the

interest on the invested capital on profit-basis rises to 200 per cent (i. e, double the capital) the target may be reached at the end of one year only. Actually, the profit per year may be less and consequently a longer period will be required for the interest to accumulate up to the legal limit. As the interest represents a percentage of profit, the creditor will naturally gain no interest if there is no profit. A loan, obtained on this basis, leaves the debtor in a more secure position so far as his liability to the capitalist is concerned than if he borrows with promise to pay interest at the rate of 5, 10 or 20 per cent, for in the former case he has a half share of the profit while in latter the net profit earned by him may not be as high, after the payment of the interest the outlook may be even worse. Moreover, it is to be understood from the rule as it is that the debtor has no obligation to pay any interest if there is no profit. Interest is to be paid annually except when the creditor is away from home on a long visit (*chira pravāsa*) abroad or does not notify his address (his whereabouts are, therefore, unknown),[21] in such instances only, interest closes after it has reached the amount which is double the capital.

Law gives reasonable relief to debtors, who, due to circumstances over which they have no control, are unable to pay interest over a period during which the disability or inability lasts. It may be concluded that where a plea is taken for nonpayment of interest on grounds as specified, necessary evidence is to be produced in its support. The creditor suffers some loss if the debtor can prove his case, but the latter also is physically prevented from making any income out of the loan by attending to his personal affairs

Valid reasons for non-accumulation of debts are[22] -

1. Minority of the debtor, 2. illness, 3 stay in the teacher's house (to complete education) 4 engagement in a sacrifice lasting for a considerable period, and 5. bankruptcy or extreme physical infirmity (*asāra*). Thus no interest is to be paid for the period during which any of the conditions mentioned above prevails In the above exceptational categories minority is a legal disability. Some of the worst evils of usury are sought to be eliminated by the protection given in the rule to sick persons and to those who are reduced to resourcelessness if this

is indicated by the word *asāra*. The exemption granted on grounds of their educational or religious preoccupations shows the consideration given to sociological values to justify a temporary modification of the mechanism of debt. In all other cases, neither the creditor nor the debtor is given any special latitude at the cost of the other.

A creditor must receive the interest when it comes from the debtor.[23] If he can give any good reason for his inability, which must, of course be a legally valid one, the amount is to be left in the custody of another person, so that a further demand cannot be made by him in future. It may perhaps be assumed that if no valid ground is offered, the refusal is to be construed to mean that he is aiming to have an undue advantage over the debtor, for which a fine will be imposed. A man is legally expected to take reasonable interest in what belongs to him. A right not exercised due to habitual negligence cannot be kept alive for an indefinite period Thus a debt is ordinarily time barred if the creditor does not exert himself to recover it within ten years from its commencement. To make the bar effective in his favour the debtor will be required to rebut the evidence which may be produced by the complainant to bring his case under any of the exceptions noted above The creditor's negligence, except for reasons specified, is a graver wrong on his part which may terminate the liability of the debtor. If the debtor wins his point the debt is cancelled. The cancellation of the debt will be his right and privilege earned through the process of law, but surely if the debtor volunteers to clear the debt even though the legal liability for it ceases there is no suit and the court cannot compel him to act otherwise on its own initiative. In certain circumstances a kind of special protection is given to a debtor[24] If he is indebted to many, he cannot be sued by more than one creditor at a time. This rule will not, however, apply if he is going abroad but even then some relief is provided by the rule, according to which the debt, first incurred, is to be repaid first and then the others in their order of priority. But if it is a debt owed to the State or to a learned Brahmin, this is to be cleared before every other debt. A creditor's extreme right is to be limited, if necessary, in the interest of agricultural work or a public cause.[25] Thus it is prohibited to seize

for his debt a government servant on duty as well as a cultivator working in the field. The importance of the work which either does is regarded to be of such a nature that a creditor is not permitted to interrupt or interfere with it. The work of cultivation is given an exclusive protective consideration not so much in his personal interest, if so the privilege could have been extended to other branches of labour on the same ground as well, as for the significance attached to agricultural production.

The liability of the debtor to pay the principal with interest descends after his death, to his sons or kinsmen who are his heirs. If a debt is incurred by some persons jointly, the liability for its repayment is both individual and several.[26] Thus if one of the co-debtors dies, his liability is shared by the survivors. If some body has acted as a surety to represent a debtor, the responsibility for the payment of the debt will vest in him after the death of the debtor, but a minor cannot act as a surety. The liability in regard to debts, not conditioned by time or place, extends to sons, grandsons and their heirs after the decease of the debtor. A debt contracted by his wife may be a liability for the husband. A wife may be compelled to borrow if her husband goes away without providing for her maintenance. In such an event, in addition to the debt, a maximum fine will be imposed upon him provided the charge against him is proved.

Intimate domestic relationships, idealised in the traditional culture of the country, are kept outside the rules of debt.[27] Thus it is said that a loan taken by a father from his son or *vice versa*, or by a husband from his wife or a wife from her husband is unrecoverable i e , neither can sue the other for the debt. Unrealisable also is a debt between brothers whose interests are undivided. If a debt cannot be recovered, the brothers borrowing is not a debt, considered as such in law. It is, therefore, implied that even if by mutual arrangement, such a borrowing is paid back the material interests which the exceptional rule regards as indefeasible in view of the relationship of the parties to the transaction, are affected by such an act it will not be lawful Though after the death of a debtor, his debt is ordinarily to be repaid by his heirs, the loan that a father or a son takes from the other is free from the obligation of repayment during the life-time, nor is it to be treated as a

posthumous liability The debt of a brother is recoverable provided however, interests are divided The economy, which is the basis of a joint family, is thus protected against internal disruption through commitments of an usurious character by its members among themselves

There is no indication that the interest drawn by a creditor is taxable, though duty is charged on every article of trade either imported or exported In spite of the controlled rates of interest his income from loans may possibly be more than what a trader gets as his net profit from his business

If the creditor loses his capital or interest it is good neither for him nor for the market, for if the usually expected flow of money is thus checked or interrupted, the periphery of private trade will be weakened If may be inferred that interest charges may have to be revised to meet the exigencies of such a situation Even the controlled rates, as they stand, are high enough This throws light on the extent of the availability of capital when such rates are prevalent If the creditor's interest is not properly looked after as much as that of the debtor, or is sacrificed on what may be urged as humane grounds, the economy may receive a hurt which may be difficult to heal

When an article of value is left by its possessor or owner in another's custody, a relation arises between the two, to be governed by the *rules of deposit* which are expressly mentioned as being on the lines of those concerning debts [23] As the debtor is bound to repay the debt contracted by him, so is the depositary to return the object held by him as a deposit In regard to the case of a deposit, it may be supposed that terms and condititions are settled between the parties concerned, as is done in the case of a loan, with this difference, however, that a depositary may have no personal interest in the deposit except as its custodian He may agree to keep a thing in his custody for an acceptable consideration including the cost of its maintenance or upkeep But this will not make him a debtor for he does not use it as a loan and pay an interest on it The relevance of the rules of debt in cases like this appears in connection with the depositor's normal right to the restoration of his deposit from the depositary like that of a creditor with his right of recovery of his debt. The State,

as we have seen, fixes the rates of interest, but this regulative factor is absent in the case of a deposit. It may be concluded that unless the consideration offered matches the liability of the depositary, he will refuse the custody which is sought. As compensation for loss or damage may be demanded, the fee or rent to be charged by him for the custody of the deposit may be understood to be at least fairly proportionate to its value. Though the rules do not refer to any fee being charged for custody, it is not likely that when a legal responsibility is involved, it is undertaken without any consideration. If the question of payment of compensation arises, it may be supposed that it is determined in the court on the basis of the value of the article in respect of which it is to be paid as well as the fee given or promised by the depositor for its custody. The personal liability of the depositary is not admitted if the deposit is lost due to any calamity of a general nature before which he is as helpless as others, similarly affected by it, including the depositor himself, who placed in the same circumstances, would have found it impossible to protect his property.[29]

The depositary's task is to preserve the deposit until it is restored to the depositor, and he has no right to make any use of it during the period of custody.[30] If he does so he must pay for it as he would have paid in view of the place where it was used and the time of its use, which means that the amount is to be fixed according to current local rates. Whatever the owner or the depositor has lost by reason of such use must be made good by the depositary. The depositary is equally liable for any damage caused to the deposit. He is of course guilty of a greater offence if he sells or mortgages the deposit, in such a case he is liable to pay four times the value of the deposit and also a heavy fine.

Deposits may be sealed or unsealed. A sealed deposit can not be handed over to anybody except the depositor himself.

A deposit is called *upanidhi* and a pledge *adhi*. When a loan with interest is obtained against an article of value, the latter is to be placed under the keeping of the creditor and is redeemable with the clearance of his dues. A pledge may be either a movable or an immovable object. A deposit is not a pledge if the article is merely kept in another's custody, while a depositary holds the deposit in his

custody with no right of possession over it a pledgee holds it as a regular guarantee or surety for full satisfaction of his claims. So long as it remains with the pledgee it is a deposit in another form, the rules which protect the interests of the depositor against their infringement by the depositary, as already stated, also apply where a pledge is concerned, in respect of the owner's right which requires to be similarly safeguarded In short these rules operate to the protection of the owner when an article pledged by him is lost (or destroyed), used, sold off, mortgaged or appropriated (*ten-ādhi pranāś-opabhoga vikray ādhan apaharā-vyākhyatāh* )[31] Some additional rules are also framed for the purpose of meeting the special requirements of the relation between a pledgor and the pledgee. In none of these rules ownership appears to be in jeopardy. Under them pledges are divisible into two classes — ( 1 ) those in which the pledgee has the right of use or enjoyment over the pledged article, (2) in which this right does not exist No interest accrues to the loan which is obtained on the basis of a pledge belonging to class 1, nor can it be lost to the owner apparently for his default in the repayment of the debt In other cases, that is, where the pledgee is not given the right of use, the loan will bear interest and the pledge may be lost for non observance of the stipulated terms by the owner. Thus in class 1 the mortgagee who does not get any interest for the loan is, in substitution for it, suitably accommodated in the shape of the benefit derived from the use of the pledge, in class 2, this being non existent he earns an interest on the loan, as arranged with the debtor, user being a substitute for interest[32] Though it is not in the rules applicable to pledges, as set forth in the text, the amount of the loan to be secured against a pledge must in every case be dependent on its current value though it need not be equivalent to the price which it can fetch, if sold, and the interest charged must be on the basis of that amount. To the interest must also correspond the value of the/the use of the pledge ,if conveyed to the pledgee which would have been otherwise charged on the loan There is no rule showing that State sets up a standard to determine what should be the proper amount of a loan in any particular case with reference to the market value of the

article to be pledged, but when it is a question of interest to be paid on the loan, whatever its amount may be, the determination of which is impliedly left to the parties concerned the rate of the interest to be charged cannot be other than what is allowed under the rules concerning debts, for it is difficult to hold that the pledgee in this matter is given a power which exceeds the limit imposed on all classes of creditors to which he is not an exception

The recovery of the pledge must not be delayed if the debtor is prepared to receive it back of course on fulfilling his liability to the pledgee in full There are two alternative courses open to the debtor in case the creditor is not present when he comes ready to receive the pledge from the latter [53] He may deposit the amount required for the redemption of the pledge with the village elders, and there after have it restored to himself Apparently his relation with the creditor closes here if the procedure followed is in accordance with the legal requirements in the matter The rest is between the creditor and the village elders who receive the amount on his behalf and acting in his absence release the article for delivery to the pledgor As an alternative course the article may be allowed to continue to remain where it is (i e, with the creditor) under two conditions [54] 1 that the value of the article at the time is to be ascertained and treated as fixed until its redemption 2 that the debtor will be no more bound to pay any further interest As under this arrange ment the arti le is not redeemable immediately, its personal use by the debtor will be delayed but it cannot be delayed long for the cred tor will want his dues to be paid early when the interest is stopped Moreover his responsibility being implied if for any reason the condition of the article deteriorates after its value has been fixed, it will not be in his interest to hold it long but to return it soon to its owner i e the pledgor The custody of the article until it is restored to the debtor may instead be transferred to the local office whose duty it is to protect such deposits against damage and destruc tion If the destruction of the pledged article is apprehended (at any time) the creditor may sell it for the price which it may fetch with the prior consent secured from the court or if the bonafides in the matter can be proved to the satisfac

tion of the officer in charge of pledges. The right to sell a thing belongs to its owner and not to the pledgee. But the owner is prevented from exercising this right, if required, when it remains with the pledgee and the liabilities continue on both sides. Therefore, if for any exceptional reason the thing has to be sold, the court or the relevant government officer has to be approached for permission and approval.

A person has a *right to give away* a thing which he owns but but this right belongs to him only and not to one who is not its owner in every sense of the law. The *gift* of a thing by one who is not its lawful owner cannot be valid. Such gifts not being valid are to be held in reliable custody,[35] until their cancellation is effected, it may be understood through proper procedure. On another ground also a gift may be rescinded. Here the ownership is neither invalid, non existent, nor in doubt. The occasion for the cancellation arises when a person makes a gift of his entire property without giving any thought to the consequences which such a step will have on the economy of the family.[36] In making such a donation he takes away the prospective bequests for his sons or other heirs who are thereby put to distress. This seems to be regarded as an instance of irrational or irresponsible use of ownership, and the State, therefore, cannot put its seal of approval on it. Freedom to act in exercise of one's right of ownership is further curtailed by the provision that any gift or charity made in favour of undesirable persons or for evil purposes will be regarded as inoperative.[37] When the beneficiary is known to be a bad character or the purpose for which any pecuniary help is rendered, is palpably anti-social, it is easy to apply the rule to make the gift null and void. The right to apply the rule rests with the State, but it is not made clear whether in the event of a difference of opinion in regard to the justness or propriety of the allegation brought forward, the matter is to be left to judicial investigation, for in most cases where a gift is made, there may be some who feel deprived and may be easily persuaded to raise a complaint under the shelter of the prohibitive clause. Sometimes action under this rule may probably be taken on the initiative of those whose interests are affected by such a gift.

Excepting these typical cases of State interference to check the unfettered *exercise of individual ownership*, it is otherwise fully protected by law Thus if a person loses anything which he owes, whereever it is he does not for that reason lose his right over it, and is allowed to take every means prescribed by law to recover it

If it can be traced in the possession of somebody who has no right over it the offender is to be apprehended failing which he can himself have his person seized [38] The alleged offender will be required to show how the thing came into his possession If he cannot give any satisfactory evidence, it will be forfeited and restored to its rightful owner What is of essential importance is that the complainant must be able to prove his ownership first If the defendant says that he got it through purchase he must give the name of the seller If he can establish the point that he got it through purchase and yet cannot give the name of the seller he will only forfeit the thing If the seller's name is disclosed and he is produced before the court which is satisfied with the evidence of his guilt the seller will have to pay the value which will probably go to the buyer while the thing itself will come back to the owner It is altogether a different case where a person holds a stolen article in his possession and secretly uses it to the full In such circumstances the offender will pay if caught, not only the value but also a fine As the offender knows the thing in his possession to be a stolen one, not lawfully transferred to him by its real owner, either it was stolen by him or by someone else with whom he was in collusion, he must be heavily punished A lost article, if recovered, must belong to its owner But his ownership will have to be proved first before the thing is allowed to be restored to him A considerable fine will be imposed if one claiming to be its owner fails to prove his title When a stolen or lost property is recovered by the government it is to remain as an exhibit for public inspection at some place like the gateway of the toll house and if no claim is put forward within a period of one month and a half it is to be taken over by the king [39] Due notice having failed to attract the rightful owner it will not be restored after

the article has been acquired by the State. Even when all the conditions, as stated above, are fulfilled, lost property cannot still be restored unless the owner, who has proved his right, pays a ransom at the rate fixed for it to the government for having recovered it. Thus, for a lost or stolen biped the amount of five *panas* is to be paid; for a 'single-hoofed animal' four *panas*, for a cow or buffalo two *panas*, for minor quadrupeds one-fourth of a *paṇa*. The rate for precious stones, and some other articles is fixed on a different basis.[40] In these cases the charge is collected at the rate of five per cent of the value of the article or commodity recovered by the State. These collections are probably in view of the owner's negligence, supposed or real, but there is also the question of the expenditure to be met to recover a lost or stolen property and for its maintenance or safe custody, which seems to be treated here as one requiring an exceptional, consideration for the value restored to the owner. Lost property, whose ownership cannot be traced or established, must belong to the State.

The value attached to ownership is so real in the eye of the law, that even though a property may be situated in a foreign or enemy country, it is not to be regarded as lost to its owner,[41] in spite of the fact that he is unable to recover it personally for obvious reasons, The State, whose citizen he is, will take up his case and do what is needed for the protection of his interest in the alien country. In fact, if it is recovered by the State, it will be restored to the owner. A man holding property anywhere, whether within or outside his country, has a place in its economy, which must be protected or preserved by the State. Protection of private property is one of the primary functions of the State. If a citizen is robbed of anything and the governmental machinery fails to track down the thief and recover it, the State is held to be under the obligation of paying the equivalent value to its owner, who is thus compensated for its loss.[42]

*Ownership*, otherwise inviolable, can cease, being barred by limitation, if habitual neglect is shown in its functioning. Exemption from the bar may be obtained if it can be succesfully pleaded that prolonged interruption in the exercise of the legal responsibility carried by ownership, for a period, which is in excess of the

permissible limit, was due to any of the exceptional causes, recognised by the law, as mentioned already in connection with the rules of deposit such as minority, old age sickness, etc. How reasonably wide is the scope covered by the exceptional clauses can be understood from the fact that it includes quitting a country due to internal disturbances, with property left in it and going on a journey abroad, among the factors which negative the usual time bar [43] In short where it is impossible on physical grounds or for unforeseeable circumstances of a compelling character which are specified in the law, to take due interest in the preservation of one's property, tempting another to occupy it, the bar is not effective, i e, the ownership continues to be valid But this is lost in other cases Where a field is lying in the occupation of another for ten years or a residential house for twenty years without any opposition from its owner, his right will cease [44] During a period of political uncertainty when for the time being normal government does not properly function, property left by its owner may be occupied and used by another person. This does not give the latter any right whatsoever over the property even though he may be a relative of the owner, a learned Brahmin, a *pāsanda* or heretic [45] For the protection of ownership the rule applies equally to deposits, pledges investments, boundaries, etc, in respect of which the existing rights and liabilities are fully maintainable against any act of appropriation under similar circumstances

# CHAPTER XII

## *Property, Kinship and Matrimony*

Property is of two classes self-acquired and inherited According to an authority, quoted in the Text, even if property, left by a deceased person, consists of a broken pot, it must be divided into proper shares for distribution among his heirs [1] The object in holding such a view is to emphasise the point that whatever is left behind by a dead man should not be thrown away, but treated, no matter however small and insignificant it may be according to the rules of inheritance which must be observed with the strictest accuracy irrespective of the size or value of the legacy. While agreeing that these rules should be followed, Kautilya is emphatic in declaring that they are to apply only to the distribution of things which have a real, material value , a mere formal or mechanical adherance to the rules, where there is no property of any worth is left, is useless and is a pretence[2].

So long as ancestral property is not divided, it is entirely the property of the person who owns it. He has no legal responsibility for preserving it for the benefit of his heirs. At least there is no law to compel him to do so or to use it in a particular manner and none other, but it seems to be implied that if he has faith in the ritual of *Śrāddha* he may be persuaded to think that something which has a value should be left behind to meet its cost and thus to enable his heir to perform the rite after his death to the satisfaction of the departed spirits of himself and his ancestors and thus continue the tradition of his family.

The order of succession is from father to son (*pitrito dayavibhagah pitridravyānam*) where a son is left [3] Whatever share of ancestral property comes to a son it does so, descending from his father as he leaves it at death or to which he is entitled while alive Thus if the grandfather is alive and the property is not divided in the life time of the father, his son, when the division takes place will have the share which would have fallen to the lot of his father, if alive If the father receives his share in his life time, his son will inherit only

what is left by the father at his death, if not divided by him earlier If there are more than one son, the same share will be distributed among them. If a grandfather has a number of sons, each of them will have a share of the estate, and the son or sons of each of them will have nothing more than that share, to be partitioned, if necessary, which would have been allotted to him, if he were alive to receive it as a result of partition according to the rules. Ancestral property must descend in this order of succession up to the fourth generation, beginning from the great grandfather. If it is undivided even up to this stage the surviving heirs, as specified, will be deemed to be on the same footing, each receiving an equal share.[4] The sacred duty of offering symbolic food to dead ancestors continues to devolve up to the fourth generation.

The eldest son, if his father has only one wife, has a *special* share of the property.[5] This share, according to the rule which the followers of Uśanas adopt, comes in the form of a selected item to be offered to him, varying according to caste. Thus the eldest son of a Brahmin gets his fathers goats, that of a Kshatriya his horses, a Vaiśya his cows and a Śūdra his sheep. The middlemost son has also a special item and so also the youngest son. But these special items are only particular varieties of the same animals mentioned for distribution among the eldest sons in respect of the different *varnas* The animal for each caste seems to be selected for reason of its specific usefulness for the particular occupation of that caste, to follow which appears to be considered to be a duty more essential for the eldest son than the younger ones. But a case may conceivably arise where a particular animal constituting the special share, as mentioned above, may not be available for allocation to the eldest son, though usually it must be found if economic functions, as closely related to castes, remain unchanged. Values change when one economic phase is followed by another in the course of evolution. While the idea that a special share must be earmarked for the eldest son still rules in view of the continuity and persistence of the traditional faith, this share more frequently comes to be represented by a percentage of the value of the property left for distribution among the surviving children, offered to the eldest, over and above his usual share as a son. This

the ritualistic feeding of ancestors for which he is to be given some economic help in this form of an additional share. It is not indicated on what basis the percentage as required by the school of Uśanas is to be fixed, but the principle involved seems to be that the extra share should be a moderate one. Precious stones are excluded from the property when its value is estimated for the purpose of determining the special share due to the eldest son.[6] In the relevant rule, firstly, no special share is expressly provided for the middle or the youngest son, and secondly, no distinction is made caste wise with regard to the proposed reservation for the eldest son, which in the absence of a specific direction is to be taken as the same, irrespective of his caste. It may be noted further that whereas the rule, which gives a particular species of quadruped to the eldest son, appears to attend to the caste to which it is applicable, it is explicit in the rule which gives a share of the *value* that it satisfies the condition required for the proper discharge of one's duty towards one's ancestors[7]

The above rule with the proviso is followed by another which *specifies* the preferential shares for the three sons, the eldest, the middlemost and the youngest, which are to be selected on a different basis Another distinguishing feature is that the distribution is not necessarily or wholly in consideration of the primary obligation of the eldest son to perform the traditional ritual, for it is stated that even if he follows an occupation which is not proper for his caste, and refrains from the sacred duties which must presumably be interpreted as including the one of offering oblations to the manes, he will still have at least one-fourth of his special share.[8] But he loses everything as a punishment for libertinism.[9] This rule, as it is is incomplete in the sense that it does not make any alternative suggestion as to how the special shares are to be determined in the absence of the items noted for distribution on a selective basis, while the rule attributed to the school of Uśanas seems to require an evaluation of property without naming its components, excepting some article of high value which are kept outside the calculation in this connection Usanas's method can be applied in all cases, whether the property is of a rich man, or of a poor man, for it is the value of the property, whatever it is, from which a certain proportion is separated to constitute the

special share to be given to the eldest son. The other rule contemplates an estate that must contain some specified articles which none but a father of some means can be expected to leave for his sons. These articles are the deceased person's carriage and jewellery, which are to constitute the special share of the eldest son, his bed, seat and bronze utensils, personally used by him, to be offered to his middlemost son; and black grains, iron, utensils of domestic use, cows and carts, which must go to the youngest son. If there be any other articles left, they should be evenly distributed (*sesbadravyānām-ekadravyasya vā samo vibhāgah*).[10] Kautilya, as already stated, while considering the question of partition of heritable property, puts stress on the need for the property to be of real value. This insistence is reflected in the rule which shows what typical articles, he has in view, that must be divided in the manner required. A special share for the eldest son is not lost sight of in the further elaboration of the rule in the form of a proviso. But this special share, again, is no more itemised on the lines of the rule itself but is converted into a proportion, which must be that of the value of the property. The reason for this step is not stated to be that, where a property is found lacking in the articles named in the list, these being not available for distribution, the other method, viz., the determination of the special share on the basis of the value of the property, will have to be followed. It appears, therefore, that in every case a special share is to be admitted for the eldest son in accordance with a customary rule, whether dependent on the value of the property or in the form of some select articles This share now seems to be made an unconditional gift. For, according to the followers of Uśanas it must come to the eldest son with no string attached to it, it being implied that he will, as a matter of course, fulfil his religious liability to ancestors to deserve the special consideration he receives in the distribution of the parental property. In the other case some conditions are laid down to entitle him to the fullest benefit in connection with his special share He does not get the full share if he does not have the qualities that make a man (*mānushahina*) How this deficiency is to be interpreted in terms of law is not made clear. If the custom, which is blessed with legal sanction, gives a special share, as already referred to, he will have only $\frac{1}{3}$ of that share due to

the defect.[11] If, as the advocates of Uśanas's view hold, $\frac{1}{10}$th should represent the value of the special share, and this is in accordance with the custom generally prevalent, under the proviso this will be reduced to $\frac{1}{30}$ of the value of the property. The special articles, if left, such as the carriage and jewellery, can similarly be evaluated, in which case he will have $\frac{1}{3}$ of their current value, for the articles themselves cannot possibly be divided into parts. A further reduction as well as total elimination is proposed under other circumstances, as already pointed out It may be observed in this connection that the disqualification indicated by the expression *manushahina* must be of a nature different from that which accounts for the reduction to ¼,[12] the reasons for which appear to be connected with occupational and religious delinquencies. It may mean lack of the ability required to improve one's fortune, it will be useless to give select articles of comparatively high value to a man who is unable for some constitutional or other defect to make the best use of them. If this is how the expression may be reasonably interpreted, it will be seen that inheritance is intrinsically regarded as a stepping-stone to further prosperity. But how the merit test is to be practically applied before partition and what is the standard qualification, insisted upon by the law, is not explained Once the share in full has been received it will be a complicated procedure for the recipient to be compelled to surrender any part of it if at all it may be possible to prove him disqualified afterwards

By the eldest son is to be meant 'the first born'.[13] The rule seems to be that if a man has more than one wife apparently of the same caste and married according to sacramental rites and has sons by them, the one who is born first among these is to be regarded as his eldest son [14] Children through wives married not in accordance with sacred rites (as in the first four forms of marriage) cannot vie with children born out of sacramental marriages for primogeniture as required by the rules of inheritance. If there is no difference among the mothers due to varying forms of marriage or the presence or absence of virginity at the time of marriage, the earliest born among their children is probably indicated to be treated as the eldest son of his father.[15] In the case of twins, the earlier born will have the status

of the eldest son for purposes of inheritance. While the law of inheritance gives a higher status to wives married according to the *approved* forms than to those married according to forms traditionally regarded as *inferior*, and also makes a distinction between wives on the basis of virginity, it does so when the superior ones, judged by these standards, actually exist in a family, thus requiring the distinction to be legally recognised. Where this kind of distinction does not exist the only criterion for determining primogeniture will be priority of birth; and one who is considered to be the oldest in such cases will not consequently be denied the usual privileges open to the eldest son. The special right of the eldest son in some specific cases is not an imperative. Thus a different principle, not necessarily primogeniture, is to be adopted in dividing parental property among the *Sūtas*, the *Māgadhas*, the *Vratyas* and the *Rathakāras*[10] Property in their cases will have to be distributed on the basis of the principle that whoever is or are self reliant will get the whole of it and that the remaining others who lack this quality will be entitled to maintenance only with no shares allotted to them. If, however, none has the necessary quality, the distribution is to be in equal shares. Conditions of service among the communities mentioned are probably such that it is not usually possible for all the sons in a family to be properly employed to enable them to utilise the shares, if allotted to them individually. The custom among them seems to be for a number of dependents to live and grow under the protection afforded by the leading member of the family in exchange for the exclusive economic right bestowed upon him. The property that he inherits to the exclusion of his brothers may not, however, be sufficient for the liability imposed upon his shoulders It is not laid down that this liability is to be commensurate with the value of the property assigned to him. If he is legally responsible for their maintenance, even though the estate may be inadequate for the purpose, he is bound to fall back upon the resources, if any, earned by him through personal exertions to discharge this duty assigned to him. Under this system ancestral property is not regarded as a kind of joint property with its management lying in the hands of the most capable son, the others having their shares, though undivided The former may,

quite naturally, use the inherited property for gainful ends and succeed in his plan. When he dies, the same principle must be adopted to settle the question of succession. Supposing that a qualified heir is found to whom the whole of the property is now transferred, if with respect to this property the system of succession remains the same and is applied without interruption for some generations and the property increases in the same process, there will be no fragmentation of the property and the accumulation will have a continuous history of growth for the use and benefit of dependents as well as those who probably do not contribute actually in a responsible capacity to the development reached through the labour, intelligence and skill of their leaders in its successive stages. In laying down the condition for exclusive succession, the rule does not show that it is to be confined to any particular son or his line, chosen according to a certain order of birth. The rule, as given in the Text, is also so brief that it omits to say to what degree of relationship the liability for maintenance, as already stated, extends.

The law which holds that equal shares should go to all the sons of the deceased, in case none of them is specially qualified to inherit the whole property left by him, shows a trend towards an equitable distribution of it, a drift towards bringing it closer to the widely accepted rule that ancestral property should be partitioned, irrespective of any standard of fitness among surviving male children except where it is forbidden by a special custom of limited application.

While fusion of different communities has its own way of progress, in the distribution of ancestral property, however, the socio-economic difference between one community and another in the hierarchy of castes is an element that has a place bearing on the question of the determination of its shares. Intercaste marriages cannot be wholly prevented by law A Brahmin, who is asked to marry only within his own caste, may take wives legitimately from the three other primary castes also. The property which he may leave behind will have to be divided among his sons whose mothers are of different castes. If the mother is a Brahmin by caste, like her husband, her son will have four shares, the son of the Kshatriya wife will have three, that by the Vaiśya wife two and by the Sūdra one only. Thus,

irrespective of the number of sons, given birth to by the mothers of the different castes, they may have the shares, according to this rule, as determined on the caste-basis, will remain fixed and remain available for distribution among the surviving sons by the same wife. But not all the Brahmins may have wives from the four principal castes. He may, for example, have two wives only—one from his own caste and the other from the Kshatriya caste. In such a case the son by the Kshatriya wife will have the same share as that of the son by a Brahmin wife, probably after the special share or its equivalent value, which is due to the eldest son,[17] has been deducted from it. The same principle of division is to be followed in the case of a son born to a Kshatriya by a wife of his own caste and that by a wife of the Vaiśya caste, provided the latter is qualified, otherwise he is to have a half of the former's share.[18] The question of qualification does not appear to be raised as between sons by a Brahmin wife and those by a Kshatriya wife. Though caste considerations have a place in the formulation of the law of inheritance, inferiority of caste is no bar to inheritance.

As noticed above, the rule favouring an equal division, insists as a condition precedent that the Kshatriya's son by his Vaiśya wife must be a *man* in the proper sense of the term, which probably means that he should have a due sense of respect for the tradition, of his father's family and not be one engaged in a degraded occupation. For him to be raised to an equal status with the other son whose mother is a Kshatriya for the purpose of the distribution of their father's estate this qualifying condition provable in law, is a necessity, which must be satisfied. Although so far as the question of inheritance is concerned, the law gives generally a higher consideration to children born out of marriage in the same caste, the rigidity in respect of unequal marriages between males of higher castes and females of lower ones is relaxed as the above clauses show in some exceptional cases Finally, the caste question is relegated to a minor position, subordinated to the overriding consideration given to sonship for purposes of inheritance in the rule, according to which, if a man has two wives, one of his own caste and the other of a lower one, and has one son by either of them, and by the other none, this son will

get the whole estate, though he will be bound to maintain those who were lawfully his father's dependents. An exception is noted in regard to a son of the Pāraśava caste[18] born to a Brahmin father, who will get one-third of his property and the rest will go to a *Sapinda* relation of the father (i e., one who has the obligation to offer oblations to the deceased person and his ancestors), in his absence to one belonging to the same *kula* as that of his father, though not a *Sapinda* himself, or failing him, one who used to live with him in the same house, for the sake of offering *Srāddha*. Thus the Pāraśava is not allowed to inherit the whole property as the spirits of his departed father and his ancestors cannot accept food from him due to his low caste. Hence two-thirds of the property will have to be set apart for assignment to those who, according to the requirements of the sacred law, are competent to perform the holy ritual. Thus the rule of inheritance acknowledges the force of the custom which requires ritualistic ancestor-feeding as a binding obligation linked up with the distribution of property. Where the deceased does not leave behind any one belonging to one or other of the three alternative categories, to whom the residue, after the $\frac{1}{3}$ share has been offered to the Pāraśava, can be made over, his *ācbārya* (teacher), or in his absence, his disciple will receive it.[19] But even if neither a teacher nor a disciple is found, the last alternative cannot be for the State to take it over, as a Brahmin's property is not allowed to come under its possession in any circumstance.

If one is not able to produce a son the law allows him to appoint some person from amongst his mother's kinsmen or those belonging to his own *gotra*, to beget a son on his wife according to the custom of *niyoga*[20] A male born out of this contact is to be regarded as his own son who will get his property, and through him the duty of propitiating ancestral spirits will continue to be discharged. As the question of the division of property and the responsibility for the performance of the ancestral rite are vitally connected with sonship, this must be proved to the satisfaction of the accepted rule of succession which must be clear on the point. If a son is begotten on one's wife vicariously, the law must give a fair direction as to the location of the fatherhood concerned. Three different views are expressed on this point. Some hold on the basis of the maxim that the seed sown in a

field belongs to its owner, that the son belongs to the husband of the woman on whom he has been begotten. The second view is that the son is of the begetter as the other man's wife was used merely as a vessel to contain the seed that caused his birth. The first view regards the husband as the master of his wife, whose right as such is absolute and indivisible, while the second, apparently rejecting this standpoint, holds the begetter wholly responsible for the action that leads to fatherhood to which his claim must be admitted in law. Kautilya's view differs from both.[21] He lays down the rule that a *Kshetraja* son whether the appointed begetter is of the same *gotra* as that of the husband or of a different *gotra*, is to be ascribed to a double fatherhood where the begetter has no son of his own to succeed him. If the *gotras* are different, the child will have the *gotras* of both, but only one *gotra* if those of the begetter and of the mother's husband are identical. He will be competent to offer oblations to the ancestors on both sides and inherit the property of both. Thus while the mother's husband is to be regarded in law as the father of the son begotten through *niyoga*, in a particular situation Kautilya seems to apply an economic rule to the solution of the problem of fatherhood inherent in the custom. One who sows the seed must have a right to a share of the produce or some other consideration in lieu of it, it will be a denial of this right if the owner of the field enjoys the whole benefit accruing to his possession to the exclusion of the other individual who is made actively responsible for its fertilisation. But if and when the *Kshetraja* son, due to this theory of double parenthood, gets the property of both the '*sower of the seed*' and the '*owner of the field*', economically he is placed *in a better position than an aurasa son, for the latter gets only* what is left by his father in lineal succession to his estate.

Law is to draw a line of demarcation between self-acquired property and undivided ancestral property. Whatever is proved to have been earned entirely through one's own skill merit or exertion, must belong to him, and cannot be joined to the ancestral property for purposes of partition.[22] It seems that before partition of ancestral property, property, claimed to be self acquired, is also to be presumed to be a part of the former. The claim is to be proved and established before

it can be actually treated as self- acquired Everybody has the right of owning what he earns whether living in a joint family or outside, but if it is shown that an increase in the undivided ancestral property which a person claims to be due to his own effort, and thus attempts to bring it within the meaning of 'self acquired property', has in fact, been secured through him on the basis of the undivided ancestral property itself, it will not be regarded 'self-acquired property' in the legal sense of the expression In that case he will have a special share only of the increase for his personal service while the others will have the rest when the partition takes place To determine whether a property is self-acquired or not may not be an easy matter in all cases where the question is raised. A narrow interpretation may attribute any rise achieved through personal efforts to some kind of support derived from undivided ancestral possessions as its original source

Those who live in a joint family are to be presumed in law to have common interests, but for that reason it is not granted that any one of them will lose any interest which is his own, as apart from the interests which in the same manner and sense are rightfully those belonging to the others Even if the brothers live together with parental property already divided among them or without it, all interests are to be redivided whenever required *apitridravyā vibhakta pitridravyā vā sahajīvantah*[23] This appears to be necessary particularly for the reason that property descending from father to son requires to be clearly specified. The issue whether one of them has acquired any property through personal exertion, and, if so, in what way it is distinct from common interests or separate from similar personal acquisitions by the others, presents itself for correct legal solution in the case of a fresh division

In default of a son, property will pass after one's death to the deceased's brothers, those who lived with him or to his daughter or daughters, if born out of a sacramental marriage In their absence the father of the deceased, if alive, will get it, and in his absence his brothers and their sons Each such brother is to have no more than one share, and if any brother is dead that share will be divided among his sons (*piturekamaṁśaṁ hareyuh*) Uterine

brothers born to different fathers will inherit the property of their respective fathers only (*sodaryānam aneka pitrikānām pitrito dayavibhāgah*)[24]

A father may divide the property during his life time, but in so doing he is not allowed to make any discrimination among his sons without serious reasons in support of the step. The right to discriminate is given to him only in exceptional circumstances, otherwise he is under the complete control of the rules of succession The right to make a distinction between sons in regard to the distribution of his property, however restricted it may be, is specifically mentioned as exercisable if the partition is to be effected during his life time[25] If the property is divided before his death, the division will not naturally cover what he keeps out of it to carry him through during the rest of his life If anything is left behind, it may be supposed to require a further division or some arrangement is to be made for its disposal But in regard to this the Text does not give any hint.

Undivided property is allowed to be divided among those having shares in it, who have attained majority. If at the time of division some of the heirs have not yet attained majority, whatever is due to them as their shares after all their claims during the period of minority have been settled, shall have to be placed and kept in the custody of their maternal relations or village elders until they reach majority.[26] The same arrangement is to be made in regard to the shares of those who are away from home. For the minors the cost of marriage is to be provided for which must be of the same amount as spent previously in connection with the marriages of the other brothers It is obvious that this amount will have to be deducted equally from the shares alloted to the brothers who have married and settled in life If there are unmarried sisters,[27] the cost of their marriage including gifts will have to be similarly borne If the property is encumbered with debts the liability for their payment is to be shared equally with the assets Thus the law of inheritance is lifted into a purely materialistic region in working out details for the satisfaction of claims over articles of value and their proper distribution Only when there is no property to be divided, a non-economic moral

responsibility has been fastened on the eldest son. As already mentioned, the eldest son is given a special share, which is subject to modification under certain circumstances The award of this share in his favour is explained as being due to his special fitness for the religious duty imposed on him. But his distinction from the other sons is not based on this factor alone. It is said that even if no property is left by his deceased father he is to be enjoined to maintain his brothers at his own cost, perhaps not under any legal compulsion [28]

The division of property must be accompained by an accurate declaration, before witnesses, of common as well as special shares clearly shown. If in this matter there is any foul play, the partition will have to be cancelled and a fresh one to be made in a correct manner. The statement of reasons to be produced demanding such a cancellation shows in how many sinister ways interested people may seek to deceive their co-sharers, if they are not sufficiently alert. When once a division has been effected its legal defects, if any, may be detected after some time has elapsed Complications may arise if any transaction is made in the meanwhile on the basis of the partition when it is called into question and rejected in a suit

In default of a legitimate heir, a deceased person's property is to be taken over by the king [29] But the number of cases in which such a contingency may arise must be very limited, for in the first instance, sonship is taken in a vary extended sense, and secondly because if the law on this point is not availed of, there may be many other relations on the parents' side, not to speak of brothers, nephews, parents, uncles and their sons, etc., who may be found available for the disposal of his property in accordance with the established rules of succession. Thus in practice the occasions for the State to exercise an ultimate right of occupying heirless property are relatively rare. Then, again, if such property is to be occupied by the king, it will have to be proved first that there is none within the meaning of the term 'heir', so liberally used in law, who can succeed to the estate, and for this the State may have to enter into an almost endless controversy examining every possible case of relationship claimed in order to establish its right. It may also be

practically difficult to detect a genuine case of heirless property when relationship as the basis of the claim to succession has been broadened to such an extent that it may appear that the law is particularly concerned with the preservation of private property as such against the possibility of its absorption by the State as the last alternative. To take over private property also means an involvement in its liabilities. Where, however, the king actually takes over a property, a deduction from it shall be required to be made to provide for the maintenance of the deceased's widow (and other female dependents of the deceased?) and the cost of his funeral rites.[30] A Brahmin's property cannot be occupied by the State in default of an heir.[31] It is to be given away to those who are versed in the three Vedas. It is to be noted, however, that the law on the point requires that such a gift of the heirless property is to be made by the king, which presupposes that it first comes into his possession and is then made over as a gift. The Brahmin community is thus benefited by the donation of the property, earlier owned by a member of the same community. No such benefit of a communal character is available for other social groups in similar circumstances.

Some categories of people are not to be allowed to have any share of ancestral property, due either to a social stigma attaching to them or physical defects, incurable or infectious diseases of which they may be victims[32] Thus (1) an individual who is socially degraded, (2) one born to such a person, (3) one who is impotent, a neuter, (4) one who is totally infirm (*jada*), or (5) insane, (6) a leper, and belong to the excluded class Of the above 4, 5 and 6, are to be supplied with food and clothing only, but not 1 and 2 (*gras-ācbchhādānam-itare patitavarjāh*) If 4, 5 and 6, have wives with property, their children may have shares of it. If a person loses his virility after marriage a kinsman may beget children on his wife, who shall have shares of his property.

In formulating the law of succession a great difficulty was experienced in attempting to bring a multiplicity of varying customs prevalent in different localities or regions and among various communities, and handed down from incongruous layers of culture and diverse chronological and racial strata under the discipline

of a unifying process of legislation. The law as presented in the Text shows three broad principles of division of ancestral property coming down from father to son, viz, (1) equality of shares as in the case of certain inferior sub-castes, (2) reservation of shares with equality in respect of the undistributed rest, and (3) exclusive transfer in favour of a single person. While observation of a certain custom of partition, as prevalent among groups definitely specified, appears to be correct as the law gives its recognition to it in respect of these communities only, the explanation of every peculiar system as being one due to the breach of a certain rule of caste or marriage, for example, is confused and not reliable either from the historical or sociological standpoint The task of deliberately framing a common code to be applicable throughout the country and to all communities is not taken up. Such a course is opposed to the spirit of the Indian tradition which endows all customs, local, regional, or corporate as well as those of castes, with the validity of law in the matter of determining succession within their respective spheres Perhaps a common feature grows with the acceptance of the system of valuation of property for the fixation of shares and their proportions under the law of inheritance, among the groups that keep pace with economic progress.

Of the eight prevalent forms of marriage, as noticed by Kauṭilya, the first four are the *Brāhma*, *Prājāpatya*, *Ārsha* and *Daiva*—which are sanctioned by sacred usage and are valid with the consent of the bride's father (*pitripramānā śchatvārah dharmyāh*).[33] The remaining four—*Gāndharva*, *Āsura*, *Rākshasa*, and *Paiśācha* are permissible provided the father and the mother give their consent (*mātāpitṛipramānābśeshāh*) While the peculiarity common to the first four forms is that the bride's father does not have to incur any expenditure by way of offering a fee or presents to the bridegroom, in an *Ārsha* marriage the customary requisite is the gift of a pair of cows to be made to the bride's father.[34] If it is a *Brāhma* marriage the bride must be presented with ornaments decorating her person. So far as the other forms of marriage are concerned there is no specific reference to this as a formal requirement.

Elsewhere in the Text it is mentioned that at the time of the partition of an undivided property the cost of the marriage of an

unmarried sister, including that of gifts, is a charge on the shares of the married brothers[35] Thus an unmarried daughter has a right to be furnished with gifts out of the property left by her deceased father together with the cost of her marriage. Among the different forms of marriage it is the *ārshā* alone which cannot be completed without a gift from the bridegroom's party and as such it comes nearest to the four inferior forms of marriage where payment of *śulka* to the bride's parents is compulsory, probably as a price of their consent which is required to give such marriages the necessary legal validity. The amount of this *śulka* is not a fixed one. If either the father or the mother is dead, the whole of the *śulka* will be paid to and received by the surviving parent.

A woman, when she is being married, receives, or is entitled to, receive the following — (1) *śulka* (2) *strīdhana* or a woman's estate comprising (a) a *vritti*—an endowment of the maximum value of 2,000 *panas* and (b) *āvandhyam*—probably ornaments to which no limit is set.[36] In addition to these she is allowed to get gifts in the shape of clothes and ornaments, prompted by affection, from all persons related to her on her parental side (*sarveshāṁ prityāropanam apratishiddham*).[37] When *strīdhana* becomes available to her it is not perhaps intended that it should remain idle, but be put to such use as may fetch an interest on it. When the necessity arises for the surrender of *strīdhana*, as will be mentioned later, along with it payment of interest is also a stipulated condition,[38] specially that part of the *strīdhana* which is represented by *panas* may earn interest through prudent investment. In the passage where these different items are mentioned, the term '*śulka*' as denoting a fee to be received by the woman being married is specified as *dvitiya* which may mean the *śulka* of the second variety when distinguished from the one, the payment of which to her parents is obligatory on the part of the husband in the second type of unorthodox marriage, i. e., *āsura* marriage. If this is the correct interpretation, the *śulka* to be received by the wife is none other than the one which the parents collect for their daughter (*duhituh*) in the four forms of secular marriage. It is not improbable either that being distinct from the *śulka*, received by her parents, this *śulka* which is due to the daughter

is described as of the second type This may be a more reasonable conclusion since on several occasions it is mentioned as a payment due to the wife from the husband's side Moreover, the remittance of this *śulka* does not appear to be confined to any particular type of marriage, but is required in every marriage, sacred or profane The rule of succession to *śulka* after a married woman's death, is, however, different from the one which fixes succession to what is called the female's estate While the latter goes to her sons and daughters, in the absence of sons, to the latter, and, if no daughter is left, to her husband, *śulka* together with other articles received after marriage from relatives (on her parent's side) is to be given to them (?)[39] This *śulka* is received from her husband's side probably as a price for leaving her parent's home to which originally she belonged, and is therefore, treated as separate for purposes of succession from the *stridhana*, succession to which is determined by other rules

The value of *stridhana* for a married woman as a means of livelihood is realised most in a situation in which she faces the necessity of having to maintain herself when the usual source of maintenance has been cut off (*āpadartham hi stridhanam*) Normally it is the duty of the husband to look after her wants, but pressure of circumstances may justify its use in spite of the husband's liability in the matter.[40] Thus, for example, when the husband goes abroad without making any arrangement for her livelihood rather than sit tight on her purse and starve, she must spend out of her *strīdhana* for her maintenance She is allowed to use it also for the maintenance of her sons and daughters in law probably on grounds of extreme necessity Other sources failing, she can also use it to resist any immediate danger or for medical relief, or when an exceptional situation rises due to the outbreak of a famine (*pratirodhaka vyadhi durbhiksha bhaya pratikara also*) —to get rid of a cause of fear as well as for the performance of religious duties by her husband Expenses on these accounts are normally outside the use to which *stridhana* is specifically to be devoted It may be asked why spending for such purposes, as specified above, has been explicitly stated to be unexceptionable in sacred marriages Two reasons may be offered in explanation of this Firstly, as a married woman has only a limited life interest

in her *strīdhana*, which after her death goes to her heirs, she cannot use it with the same freedom as an owner has in respect of his property where his right is not similarly restricted. For this reason the scope of its legitimate and justifiable use has to be distinctly specified. Secondly, if her action in spending for purposes mentioned above, is held proper, it may go to strengthen her claim for a special consideration if the situation later becomes favourable for a correct stock-taking, although there is no indication that it is to be pressed as a legal issue.

If the husband and the wife, married according to any of the four sacred forms, by mutual agreement use the *strīdhana* for three consecutive years provided they are parents of a couple of children, no future complaint from the wife is to be entertained [41] No doubt the *strīdhana* thus spent benefits not only the husband and the wife, but also the children who are its ultimate heirs. Hence it cannot be said that they are doing something by mutual agreement which goes against the interest that the children potentially have in their mother's *stridhana*. But the financial security of a wife, married according either to *Gañdharva* or *Asūra* rites is as strong as the law can make it under the rule that if the *stridhana* is used for similar purposes the husband must return what has been used with interest.[42] In the case of a *Rakshasa* or *Paiśācha* marriage it is a crime to use *strīdhana* in this way, for which the guilty husband is punishable as a thief [43]

Indications of deferred payment of *stridhana* or portions thereof being available, it may be supposed that it is not considered a legal necessity that this must be in the hands of the wife as soon as she is married. This may be inferred from the fact that when a husband takes a second wife for some lawful reason, it is incumbent on him to see if the *strīdhana* and the *śulka* due to the discarded wife still remain unpaid.[44] But when a wife predeceasing her husband leaves her *strīdhana* for transfer to her heir or heiress, it is evident either that she was in possession of it at the time of her death or that her legal effects, if not already settled before she died, are to be settled afterwards for the purpose of succession. The possibility of the use of the *stridhana* on certain occasions, to which reference has already been made, in the absence of the normal

source of expenditure, cannot be considered unless at least a part of it in the form of ornamints is already available for any of the specified purposes.

If a husband dies before his wife, her claims to the endowment and jewellery (i.e. *strīdhana*) together with the unrealised portion of the *śulka*, due to her until the time of his death must be conceded. But if she wants to marry again, a resettlement will be necessary, which will be of two kinds under two different sets of circumstances She is allowed to keep all that she received from her late husband and his father if she chooses to marry one who is their kinsman (a younger brother of the deceased, for instance), through such a marriage her connection with the former husband's family remains unbroken with no new provision required to be made for her *strīdhana* But if she marries a stranger i e. one who is not connected by ties of kinship with her former father-in law, and is thus outside his choice *svasura-prātilomyena*),[45] she has to surrender everything given to her by the latter as well as by the deceased husband.

The above rule about the disposal of *strīdhana* holds good if widow, left without any children, marries again. If the widow has children when she marries again her personal interest in the *strīdhana* will cease, and it will thereafter be regarded as the property of those children, and for the sake of their maintenance she may take such steps as may lead to its increase (by means of judicious investment?)[46] Every time she marries, the sons born to her by that marriage will get whatever was acquired by her *from their father*, and she will have no right to use it for her own pleasure even though it may be capable of being so used (*kāmakāranīyamapi stridhanaṁ vindamanā putrasaṁsthaṁ kuryāt*) but keep it reserved for them. Thus the weight of social or traditional ethics determining her economic status controls the natural bias for considerations of money's worth, the compulsion of which forms a strong element of human instinct In the particular instance cited, however, as her sole interest is maintenance, she does not suffer as she gets her *stridhana* due to remarriage.

When a childless widow does not marry again but remains, loyal to the memory of her deceased husband throughout the rest of her life, she is permitted to enjoy the *stridhana* till her death

with the advice of a person revered by her (*guru*)[41] The remainder left at death will pass to her legal heir (on the husband's side· *ūrddhvaṁ dāyādam' gacbcbbet*) The idea that a woman cannot use the *strīdbana* in any manner she likes, underlying the concept of her economic status, is of such fundamental importance that the rigour of the rule regarding its use which gives her only a life-interest in it, is not relaxed a bit even when she has no children to take it after her death. *Strīdbana* is so important for her in the circumstances in which she is placed that special care and intelligence are needed for its management. It seems that though a woman may have what is called *strīdbana*, her fitness for the responsibility involved is not regarded as an accepted fact Hence it is required, probably not in a mandatory sense, that she should live in close proximity to a wise and respectable person so that her advice may be constantly available to her in regard to her financial interests.

If a woman dies before her husband leaving behind sons and daughters, the *strīdbnna* shall be distributed among then. If no sons are left, the daughters will get it, If neither a son nor a daughter is left behind, it will go to the husband's lot.[43]

But certain articles or items are excluded from this distribution. These are firstly the *śulka* and secondly whatever the woman received as gifts from her parents' relatives and brought with her to her new home after marriage, which are to be returned to her relatives on the parental side[43] The things which come back to the sources from which they were received, cannot be expected to remain unchanged after wear and tear during the life time of the woman who used them. Moreover, it is difficult to understand how it, can be imagined that everything that came to her as a gift or otherwise can possibly be expected to be traced in the belongings of a dead person as if her sole duty consisted in preserving it, and no transaction were permitted in which it could serve a useful purpose even within the limited field of maintenance, in the course of which it might be necessary to part with it or have its form changed. If every- thing is to be saved for being ultimately restored to the original source of the gift through transfer, conversion or otherwise,

life-interest, being itself limited in its duration, becomes still more limited in the practical benefit that it can afford, and its use may be more hazardous than profitable to the woman concerned. It is of some significance that *śulka* is not incorporated in *strīdhana* for which the wife is accountable to the husband's side; the former item on the other hand goes to her parent's eide. Its nature is thus different from *strīdhana* This is a fee in return for which a woman leaves her parental home and goes to live with her husband It converts her maidenhood into wifehood. She changes her sphere of usefulness from her parents' home to the home of her husband. The *śulka* is transferable to her parental relatives for whatever use it may be put to, to deputise for her after her death.

A wife who fails to give birth to a son within eight years after marrige, or one who produces a daughter only and no son within a period of twelve years, since the object of marrige is to obtain a son, it is up to the husband to take a second wife, but this he is permitted to do only if he makes adequate provision for the first wife by giving her the *śulka* due to her at the time of her marriage, together with her *strīdhana* and also money (*artham*) in compensation for the grief and suffering caused to her due to her replacement by the second wife (*arthaṁ cb ādhivedanikaṁ dadyāt*).[50] Non-payment of these is to be regarded as a punishable offence In fact the law is made such as to allow a husband to marry any number of wives, provided he makes a suitable punishable pecuniary arrangement for the life long maintenance of every wife who is thus superseded If the *sulka* and the *strīdhana* are not available to her the compensatory allowance may be increased proportionately (*śulkam-strīdhanamaśulka stridhanāyās tat pramānādhivedanikamanurūpāṁ cha vrittim*) The security of her position is thus an issue which is considered on the merits of her right as a wife, thus though a man marries to secure a son, the wife's right to maintenance does not depend on the question whether she bears a son to her husband, or not

If a husband and his wife get separated from each other the former cannot disown his responsibility for her proper maintenance except when she goes to live with her father-in law's family or starts an independent life (*śvaśura-kula-pravishtayāṁ vibhaktāyāṁ va*),

cutting off her past marital associations[51] though not taking a second husband, in which case a different problem of financial settlement arises, the manner of whose solution has already been described. In those circumstances where the husband's responsibility (*bharmanyāms* remains, provision for maintenanee in the shape of food and clothing (*grāsācbcbbādanam*) (probably al o accommodation) may be made for an indefinite period (*anirdishtakālāyām*), including the requirements (grains of rice etc ) of their employees according to their position and number, differing from those to be offered to the wife, which is to be of a special quality (*yathāpurusha parivāpaṁ saviśeshaṁ dadyāt*)[52] These may also be given to her periodically at regular intervals (*nirdishtakalayam*) in which case the quota is to be proportionately determined and fixed by calcutation (of what is required for consumption for the period to be coverd) As this involves a liability for future payments it seems some kind of positive undertaking is to be given so that in case of default it can be drawn from a source pledged in her name(*bandhaṁ cha dadyat*)

It appears that separation contemplated under this rule, may be for an indefinite length of time, pending a final settlement between the husband and the wife, in which case whatever is given by way of maintenance, is given once If so, it must be such as is adequate enough for a certain period during which a settlement is expected to be arrived at. In case there is no change in the condition, it is not likely that the wife will go without her maintenance, the earlier arrangement then will perhaps have to be repeated It is not unlikely either that what is required is that maintenance should be provided in a lump, irrespective of the time factor, on the understanding that the husband and *the wife may be reunited after a temporary separation* It has been noted above that when a husband marries again, he has to see that the superseded wife gets her *sulka*, *strīdhana* and the additional compensatory (consolatory) fee Under this section it is provided that the husband may meet his obligation to the superseded wife in the same way as in the case of separation instead of doing so through payment of *sulka* etc , as mentioned elsewhere It appears proable in such a case payment is to be made periodically Where this arrangement is followed the legal liability which exists in regard to the use and

disposal of *śulka*, *strīdhana*, etc. does not attach to what she gets from her husband for her maintenance.

The duty in respect of cohabitation on the part of the husband is given such an importance that even though a wife has received the whole of the *śulka* she cannot wait indefinitely for a husband who does not return home to perform this duty or whose whereabouts have since his departure been unknown.[63] When a part payment has been received the period of waiting is to be lesser than when the whole amount has been recived. Thus a vital matter of conjugal relationship has got mixed up with the question of payment of *śulka* in a very definite manner. But ultimately the normal emotion of a woman has been given a higher consideration in the rule which says that she does not have to return the *śulka* or any part of it, received by her, if she marries again, discarding the absent husband rather than wait indefinitely for his return beyond the prescribed periods. In exercising this right to remarry she must be fortified by the idea that the step is being forced on her by the breach of a legal duty on the part of her husband.

*Strīdhana*, if its definition in the special and limited sense in which it is used in the Text, will appear to be neither self-acquired nor ancestral. Unlike these, the right which it carries, is significantly narrow and restricted, the economic benefit which it confers on its possessor starts, for example, from the moment of her husband's death or from that of her supersession when the husband takes another wife, i.e. when there is no other alternative, if she has to remain unmarried, than to depend on it for her livelihood. Thus it is on such occasions only that she can demand a settlement of her claims under the category of *strīdhana* but even when it comes into her proper possession she cannot use it just as she pleases for she has only a life-interest in it. She has a double responsibility in this matter, firstly her personal requirements should be reduced to the minimum so that out of her *strīdhana* she may be in a position to maintain herself during the remainder of her span of life, secondly she must hold the estate with the consciousness of the very limited character of her right over it, in order that the ultimate interest of its beneficiaries is not affected in any way.

Although in other respects the rules of inheritance are strict, a person has the freedom to do whatever he likes with his property, even to squander it away, leaving nothing for his heirs. But *strīdhana* is a special kind of estate which has to be protected in the interest of its ultimate destination It may, therefore be a source of dispute between a woman who holds it during her life-time under conditions of widowhood or otherwise and those who are entitled to its owership after her death, if allegedly it is used or enjoyed in a manner prejudicial to their interest. Then again, a further complication lies in the fact that the woman's belongings are not to be pooled together to constitute a single integrated estate under her possession, but as separate entities, the classification being based on the broad distinction, between what is called *strīdhana* and other items of value, particularly *śulka* which must not be joined to *strīdhana* The beneficiaries of *strīdhana* are not identical with those of *śulka*, etc Even ornaments and other gifts received from different persons on the husband's side and those on the parent's side respectively are not to be mixed up in a lot as the rules which regulate the use of and succession to *strīdhana* are not the same as those applicable in respect of the other items of property which she may hold.

# CHAPTER XIII

## *Need of Economic Regulations for Social Peace*

The growth of occupational guilds creates a problem of adjustment between the interests of their members and those outside their organisations who have to depend on, and pay for their services or products of labour. While these guilds are sources of strength to their constituents in putting forward their demands it is possible that as they press their own cases, they may be tempted by the power of their organisation to show an intolerance and exclusiveness where the interests of their clientele are concerned.

As a craft in course of time forms itself into a guild and the extent of its usefulness develops, the terms and conditions of its service gradually take a reasonably uniform shape. It is then that they may be reduced to a code for the regulation of its business relations with customers, the interests of the guild as a whole being felt as identical with those of its individual members By such regulative action chances of friction are sought to be eliminated as far as possible but the rules prescribed must be generally acceptable. In Kautilya, although the principle of control is worked out in some detail in respect of a few types of occupation only, there is no reason why, once established, it cannot be extended further, if necessary, to cover other occupations also where uniform rates and conditions may be found useful in the interest of many in similar circumstances (anyān vārayet)[1] It is obvious that among the services concerned some have a sort of undeniable social utility in regard to certain essential necessaries of life.

The weaver is a manufacturer who produces a finished article out of raw materials such as linen, wool, silk, supplied to him by his customer, for which he is paid a remuneration at the end of his work. The weight of the thread supplied to him is to be increased in the proportion of 10 to 11 to manufacture the required article and to keep it to the standard quality and thus make it suitable

for use.[2] The manufacturing weaver who is supplied with the required quantity of yarn gets the price of his labour which includes the cost of soaking material used by him to make the yarn fit for manufacture Thus if from the price received, the cost of increasing the weight is deducted, the balance will represent the rest of the total making charge as fixed on the principle, according to which it is to be equivalent to the price of the yarn (*sūtramūlyam vānavetanam*) used in the manufactured article While this is good enough for an ordinary cloth, in the case of a silk piece, the wage is 1½, and in the case of a woollen article it is double the cost of the material used [3] The next condition to be observed is that there should be no loss in the length of the yarn supplied by the customer. The value of the loss, if any, will have to be deducted from the wage. The same yarn given to the weaver must be used and there should be no change in its quality If a dispute arises between the parties, it will have to be settled on the basis of these codified terms and conditions and not any private agreement superseding them

The binding conditions which a washerman must accept are the following[4] :—

(1) He must use a wooden plank, a piece of rough stone or a stone with an even surface according to the quality of the item to be washed,

(2) the same cloth received for washing must be returned to the customer and no substitute for it will be acceptable

The above conditions relate to the use of the different varieties of washing tools for different kinds of costumes and the protection of the customer's right of ownership over the article, not to be replaced by another, which is to be returned to him after washing.

Another rule makes it compulsory for the washerman to use temporarily a specially stamped cloth only and not any other chosen by him from those received from the customer (in a lot) The stamped cloth may be supposed to be of inferior quality. Its use by the washerman is free of charge. But it means some loss to the customer, though legally restricted by the regulation Finally, the washerman is bound to observe the time limit for the completion of the work, which varies according to its different types

Rates of remuneration are fixed on the basis of the varieties and differences in the quality of the articles to be washed. The finer the quality, the higher must be the remuneration. On this principle skilled labour is to be given a special consideration. Thus the wage is one *pana* for a fine garment (with no reference to size), ½ *pana* for a cloth of middling quality and ¼ *pana* for the lowest variety.[5] The remuneration for dying *has not been* reduced to an inflexible standard, probably because it is not possible to do so in view of the technical nature of the knowledge required in varieties of cases for distinguishing different types of dyes, specially for determining their colour-complex.

Those articles, which are for rough use and which are probably allowed to be washed on blocks of rough and uneven stone only, the rate for a washerman is either one *māsbaka* or two *māsbakas*. When dyed clothes are to be washed the rate is double the usual one [6]

In the event of a dispute occurring in regard to a dyed garment it is to be referred to experts, enjoying respect and confidence, for a settlement of wages [7] The reason for this may probably be that only men with proper technical knowledge can give a reliable opinion as to whether the quality of a dyed piece of garment has deteriorated due to bad washing by a particular washerman or any loss has been caused to the customer for non-delivery of the article within the specified time.

The profession of a goldsmith involves obligations not only to his clientele but also to the State which appears to be determined to suppress clandestine transactions in gold and silver Neither gold nor silver should be secured by a smith from unclean or questionable sources,[8] possibly meaning people who are supposed ordinarily not to *possess them except by some underhand means, presumably at a lower* price, without previous intimation being given to the relevant administrative authority It is, of course, an offence against the State to buy stolen gold or silver. It is a still greater offence to secretly change the form in which it is procured by *such means* as melting, for example, to destroy the proof of its identity. Rates of fines imposed may be taken as suggesting some relation to the ratio in the current monetary value between gold and

silver, of which indications are given in the rule, according to which, for stealing one *māsha* of a *suvarna* (144 grains) the offending smith is to be fined 200 *panas*, while in the case of a *dharana* (silver weighing about 56 grains), the fine will be 12 *panas* if $\frac{1}{16}$th part of it is stolen.[9]

The proportion and the nature of the alloy to be used in the manufacture of a gold article are both fixed This sets up a standard by which the business honesty of the smith is judged and also the interest of his clients protected.

Varying rates of remuneration for manufacturing articles of different metals are also fixed. For making a gold article weighing one *suvarna*, with proportionate alloy, the remuneration is its $\frac{1}{8}$th, i. e., 2 suvarna *māshas* i e., a fixed part of the value of the quantity of the gold used, while for making a silver article weighing one *dharana* the remuneration is one *māsha*, i. e., $\frac{1}{16}$ *dharana* (silver)[10] Those who manufacture articles of copper, etc, get 5 *panas* for every hundred in weight or value (*pañchakam Satam*) In other cases the rate is the same although the metallic substances used in the manufacture may be different.[11] It may be understood that the rule requires payment in silver in the case of silver manufactures (either by weight or by coin if the latter of the required denomination as such is in circulation as a medium of exchange) and in gold in the case of gold articles, In the case of other metallic objects payment is probably required to be made in the form of copper tokens The remuneration for the manufacture of an article, for which 1 *pala* of lead or tin is required, is to be 1 *kākani*, and 2 *kākanis* will have to be paid for an article of iron of 1 *pala* in weight. The prescribed rates, at least so far as gold and silver are concerned, may be regarded as minimum. These may be doubled in exceptional cases where the standard of workmanship is of a superior order.[12] In all such cases any thing agreed upon privately by the parties between themselves, which is in contravention of the relevant State regulations, will be treated as evidence against them. Where there is a dispute it is for the State to find out who has broken the conditions of the agreement

In the process of manufacture there is a natural quantitative

loss If the fixed limit is exceeded, a proportionate penalty is imposed.[13]

A standard of conduct is also introduced for *physicians*, in the interest of public health as well as of the patients who are placed under their treatment. Thus a physician who does not attend to his patient, will be responsible for his death, if his negligence is proved after an investigation[14] A physician has a special duty to the government , he has to bring to its notice any case of illness of a particularly dangerous type that he may be called upon to treat. It will be a criminal offence if it is not duly reported and the illness ends fatally.

Relations between artisans and customers in a field, as specified, are settled on the basis, firstly of the details of the technique of each craft considered in this connection, and secondly, of the current rates of wages applying to different forms of labour or varieties of products There is little scope either for a customer or an artisan to alter the code formulated by the State Next, a higher rate is reserved for skills which are above the average level. Where the rate is fixed in terms of the value or weight of a thing, in spite of the look of fixity, the rules concerned are inherently adapatable to conditions arising out of fluctuations of prices The principle underlying the fixation of manufacturing wages, as in the case of the weaver, the goldsmith, the silversmith, etc , in well-defined relation to the quantity or price of the commodity, to be converted into a finished product, represents, for what it is worth, a certain contribution to economic thinking, although the factors which go into its making remaining materially unknown, a proper assessment of the theory is not possible When labour charges are being fixed, it may appear that an attempt is thus made to rise above the authority of local rates which may be varying from place to place, and stabilise uniform rates acceptable throughout a dominion. The State, moreover, provides for the appointment of experts to consider cases of dispute between customers and artisans, specially when technical matters are to be investigated and higher rates fixed for remunerating skilled craftsmanship From the fact that the rules framed tend more to fix the liability of the artisan than that of the customer, it may be concluded that the need to control the artisan's behaviour is

felt to be greater than the need to check the resistance of customers to his dues. Artisans, backed by their organisational strength and knowing that the services which they render to society are indispensable, may not care much for individual customers, and it is for these latter, therefore, that the need is greater to be armed with the protection of law which, as a verse says, is necessary to save the country from troubles caused by their professional dishonesty[16]

# CHAPTER XIV

## *Dialectics Political Relations and Economic Advance*

The problem whether it is good for a country at a given time to resort to war or to strive to maintain peace in its external relations is basically related to the aims and purposes of its economic progress under existing conditions. In other words the issue is to be decided only after a close analysis of the merits and demerits, studied from the economic angle, of the two alternative courses, viz, war and peace, of which the one that promises a greater advantage is to be preferred and followed.[1] But a single or exclusive policy as a permanent fixture cannot succeed in circumstances having a shifting or changeful disposition, in those conditions a double line of action may be applied at the same time. Loss and expenditure may be inevitable, but the aim must be to make a gain in spite of them, so that the attainment of further prosperity may be possible. Hence if it is found that by peace with one power it is possible to initiate and execute undertakings for its own good (*svakarmapravartana*) and that by war with another the enemy's undertakings may be obstructed, then the policy should be one that works in both directions—peaceful and warlike at the same time (*dvaidhi bhāva*)[2] The idea is that economic growth in any country is rendered possible or assisted if it can weaken the economy of its enemy to its own advantage.

Wealth is subject to *kshaya* (loss) and *vyaya* (expenditure)[3] The term *kshaya* has been used to denote loss (*apachaya*) of *yugyas* (draught animals, possibly meaning transport) and *purushas* (workmen), and *vyaya* means spending of gold and grains in relation to the time-factor involved. In the present context these two terms are to be understood mainly in their significance as reflecting war time requirements. The resources referred to seem to be spoken of in a representative sense covering trade, industry, commerce and agriculture. If the loss and expendiure incurred or estimated are not outdistanced by positive gains to the advantage of the aggressor, military action, though likely to be successful, is not encouraged. Loss and expenditure suffered in the venture may be irreparable or the resultant economic

position may turn out to be static (*sthiti*), sometimes perilous or stagnating (*viparyaya*)[4] No mistake should, therefore, be made in choosing the way for the growth of wealth (*vriddhi*). This is a duty for a king endowed with true statesmanship When hostilities break out between two countries, one tries to boost its own trade by impeding the free movement of enemy merchandise to its destination and by seizing the commodities of the hostile power while they are carried along trade routes[5] Thus the weakening of the enemy by strangulating his trade and commerce and strengthening one's own position at his cost is one of the objectives of war

If one has to choose between *gold and grain* on one hand and territory on the other, the latter is a better alternative, for this is believed to be the source of all wealth[6] It must not be understood, however that the value of gold and agricultural products is thus lowered in comparison with the importance of territorial acquisition On the other hand this choice appears to be made on the ground of a reasonable appreciation of their actual value , if it is miscalculated, territorial conquest is ultimately of no avail Again, an ally, who has much gold to his credit, is not to be preferred to an ally whose wealth consists in the territory held by him The reason for this preference seems to lie in the belief that possibly more can be obtained through friendly relations with the latter by way of favourable trade and commerce in regard to commodities which are most extensively used by his people and can be supplied by the aggressor than with a country rich in its possession of gold whose use must be of a relatively restricted character as a medium of exchange and, therefore, may not be of sufficient benefit to him[6a] Over population is not an acute problem yet with the economic planner In fact whether a country is at war with another or not, its policy is systematically to induce men of the enemy country to immigrate to one's own where, presumably with material resources still to be utilised, there must be some scope for their employment. A country that loses its human resources loses also its revenue (through the desertion of its tax-paying citizens) and for that reason its economy may be put to much strain[7] But to the aggressor this acts take a weapon, which is doubly useful People will not generally desert their own

country, if they do. it is because they may be either famine-stricken or otherwise in a pitiable condition. Impoverished people are prone to disaffection, if they do not try to save themselves by immigrating to the other country which invites them and which is more prosperous, they may rise against the government of their own country; this action on their part will favour the cause of the aggressor. If they immigrate to his country, he may be in a position to utilise their services in improving its economic condition. Kautilya, differing from others, holds that people who are oppressed by their king are more prone to a rising against him than those who are in a condition of extreme poverty.[8] But he seems to agree that impoverishment may cause disaffection which may ultimately lead to a revolt.[9] Economic advancement being the aim of statesmanship, when the condition of economy is judged to be sound while the enemy's economy is dwindling or is in a critical state, it creates a favourable atmosphere for immigration of poor or famine stricken people to the more prosperous country, through which an advantage is gained by it over the country which loses them and thus suffers both politically and economically to the satisfaction of the former.

When economic gain is the most important objective of a State, the issue confronting it as to whether there should be war or peace in a given situation, must necessarily be settled through a process of thinking in which economic calculation plays by and large a decisive rôle. War, it is held, causes much loss and expenditure.[10] Hence, if the same material advantage can be secured by war as well as by peace, it will be a folly to march against the enemy. The motive for economic gain is so clearly and emphatically brought out that it may well serve as a convincing indication of the fact that the desire for territorial conquest is believed to grow out of a dominant urge for economic exploitation of the vanquished land for the benefit of the conquering country which directly enjoys its fruits, and thus as its political authority expands by aggrandisement, its resources are developed with the help of those acquired by conquest, giving it a place of distinction in the mass of territories which may be welded into an empire.

The motive for aggression must not be anything else than the

securing of a definite gain in terms of wealth in its various forms at the cost of the enemy. But the decision, whatever it turns out to be, must result from an intensive speculation as to the suitability of the proposed course of action for the desired economic advancement. It is not, however, easy to come to a practical conclusion in favour of or against mobilisation in a situation of unusual complexity, where there are many points and counterpoints to be considered in investigating the issue. Doubts and uncertainties often cloud the horizon. Sometimes, however, the issue may not be so blurred or confused, so that a bold decision may be taken on a consideration of the probable losses and gains that it may lead to, because the circumstances examined may be simpler in character and the chance of winning a positive advantage through the means adopted is more or less certain. But whether it is relatively easy to form an objective judgment or not, the necessary process of thinking in any case must be gone through to determine the line of action required to be followed to strengthen the economy of the country concerned, through war and diplomacy. If action is taken in pursuit of an indiscreet policy its effect on the economy may be dreadful. Practically the entire field of economic activity comprising trade, industry and agriculture is kept in view when a material gain is thought of as an end of the application of the *sixfold* policy which embraces statecraft in its different aspects.[11] It is for increase of wealth that territorial conquest is considered to be of vital necessity, The right condition for the army to be ordered to march in a campaign is when a high degree of probability or conviction exists that this will lead to a gain (*labha*) of advantages as against the loss of resources which the enterprise will entail.

Profit which is a synonym of wealth or a constituent of wealth may originate from different types of aggression and hence be of varying degrees of importance, not all of which carry the same significance. These are *ādeya*, *pratyādeya*, *prasādaka*, *prakopaka*, *hrasvakāla*, *tanukshaya*, *alpavyaya*, *mahān*, *vriddhyudaya*, *kalya*, *dharmya* and *puroga*.[12] That which is obtainable with ease and can be held and maintained is called *ādeya* It is implied that the acquisition of such a gain does not impose a burden on the State's finance or is not beyond its normal capacity to hold it Again, this gain is useful only if what is acquired

is not ultimately to be returned to the enemy. The reverse of this is *pratyādeya*. A *pratyādeya* cannot usually be expected to turn into a real or lasting gain, it generally leads to *status quo*, positive decline, or even worse This conclusion follows from a twofold consideration. In the first place, *in the pursuit of the gain aimed at, some loss* and expenditure are unavoidable, then to hold it, if acquired, further expenditure will be required secondly. Secondly, if it has finally to be returned, all that has been spent on it will be nothing but a fruitless waste, moreover, further trouble may have to be faced if the restoration *is not effected by peaceful means Thus the* acquision becomes a source of trouble, and may cause financial exhaustion, even total defeat or annihilation (*vināśaṁ prāpnoti*)[13] In the circumstances, the result which may prove to be of minimum hardship is the restoration of the former position (*status quo*) if the expense in making the acquisition is not so great that it can be overlooked

It must always be a matter of speculation as to whether there may be a chance in any case that may occur, of some tangible gain originating from *pratyādeya*, Supposing such a probability exists, it may sometimes be advisable to take the risk and seize the gain that an aggressive act may offer One must consider carefully if, in spite of the attendant risk, it is worthwhile to attempt to secure the likely fruit of aggression, when the probabilities of losses to be incurred appear to be over-weighed by those of gains, both sides being considered from all possible points of view. Probable losses and gains are to be estimated in a relative sense on a consideration of the undernoted points

I. Capacity of the aggressor after the gain has been secured for (a) destroying the military and financial strength of the enemy, (b) extracting essences of mineral substances, (c) exploiting big elephant forests, irrigation works and trade-routes, (d) putting pressure on the enemy's subjects by demanding levies and thus practically forcing *them to immigrate to his country*, (e) *securing their good will through* distribution of favours or by giving them employment, so that the enemy will be provoked to cause their anger by taking counter-measures which presumably will drive them to an insurrection[14]

II Whether it is possible on the strength of the position acquired, to open trade with a power that is hostile[15] to his enemy,

III. Whether the aggressor is in a position to render help to a besieged friend or to afford relief to the country of his ally or his own from oppression inflicted by robbers and enemies.

IV. Whether he is capable of confusing (*vaigunyam*) or neutralising his enemy's friend or supporter, and then of winning over a relative of the enemy who is displeased with or alienated from the latter by promising to give him the territory, so that he may remain his ally for ever, his friendship originating from and developed out of joint action.[16]

The aggressor must not hesitate to act for securing the expected gain even in the face of the risk which a *pratyādeya* intrinsically carries if the result of his calculation on the lines indicated is favourable to his interests. A *pratyādeya* may be a source of economic and political gain if the circumstances are such as are amenable to a firm policy of exploitation and diplomatic manoeuvres.

Thus even what appears to be of the nature of a *pratādeya* at the outset can ultimately add to the strength of the conqueror through the adoption of proper economic and other means, though he may not be able to keep the whole of the gain, he may still derive some substantial benefit which may more than balance the loss made in acquiring it. He will, in consequence, make the territory of his enemy politically and economically weak by the aggressive steps taken by him which in the same process will also render his own economy stronger.

A gain is of the *prasādaka* type if it is obtained by a righteous king from an unrighteous ruler and, for that reason, is a source of pleasure not only to the king who achieves it but also to others. This gain is one most probably made at the cost of an enemy who has no friend and is looked down upon on religious grounds or for his foreign origin or affiliations, or one whose downfall brings relief and happiness to everybody, friend or foe, alike [17]

That which is the opposite of *prasādaka* in regard to the reaction it produces in the aggressor's own territory, is called *prakopaka*, i.e., a gain which makes some people angry or wrathful, for example, a gain that is made by a king, as specially instanced, without consultation with his ministers in consquences of which they become agitated at the thought that he has found out that he has been put to loss and expenditure owing to their negligence or even hostility, which dissuad-

ed him from taking their advice in his attempt to make the gain In the circumstances they apprehend that, with his object fulfilled, he may proceed to take severe action against them. An internal trouble may thus in the end break out over a domestic issue which, it is probably feared, may have an evil effect on his external relations as well [18]

If a gain is secured swiftly, i e, almost immediately with the start of the campaign, it is called a *hrasvakala* gain This generally happens when not much loss or expenditure is incurred in the attempt.[19]

A gain which is due to diplomatic success and involves little expenditure of gold and grain is called *tanukshaya* (probably including loss of transport and workmen) A gain involving not much cost is *alpavyaya*, if it is secured by using some provisions only (*bhakta mātravyaya*,.)[20]

A gain, which is considerable and comes into possession as such with immediate effect is called *mahān* [21]

*Vriddhyudaya* is that kind of wealth which can increase or expand itself [22] Evidently this consists of materials gained, which being developed, produce more wealth in future or may fetch a profit or interest That which can be enjoyed without any obstruction or trouble is called *kalya* (*harmless, beneficent*) [23] That which is gained through righteous means is *dharmya*, probably sometimes as the result of some treaty to which both parties are committed [24]

Of all these different categories of gain that which is obtained through *concerted action* without any opposition from (or disharmony among) one s associates, heads the list It appears that the campaign may be a joint effort to secure gains against a common enemy. If the aggressor s policy is essentially economic, those, allied with him in the same plan of military or political action, have their policies in this regard also built on economic factors and interests agreeable to themselves

When a *similar gain* can be made through a number of alternative ways it is to be considered which of them is likely to bring the greatest possible advantage The factors to be considered in this con nection on a comparative basis are those relating to (a) time and place,

(b) capacity (which must be correctly estimated) (c) the suitability of the means to be adopted for the accomplishment of the object, (d) the time needed for the action to be completed, i e , whether it is going to be long or short in duration, (e) the relative distance from the base of operations (the attacking territory), (f) whether what is attempted to be secured is one that brings immediate gain or when acquired may become a source of increased fortune, (g) whether the gain expected is to be regarded as valuable for its essential ingredients or for its unremitting availability, i e , whether it is important for the plentifulness of its supply or rarity of its kind, due to its superior quality), the theory advocated obviously being that when a choice is to be made between things to be fought for and secured, that which is composed of the largest number of precious attributes (though not available in plenty) should be preferred because it is possibly considered that on the whole its economic value is much greater than that of the other things which are not so rare [25]

*Character and personality* should be so developed that human or subjective traits in their undisciplined state may not obstruct the path to an objective study of the factors that contribute to material advance as well as the judgment that is required to formulate a correct policy for application through all stages towards the achievement of the goal, Obstructions are caused, among other things, by sexual passion, wrath, pusillanimity pietism, shyness, the disposition of an *anarya* (lack of refinement) conceit, kindness, otherworldliness or anxiety about the next life, impudence, jealousy, disregard for what is within one s grasp or near at hand, oppressive nature, distrust, fear, inability to stand physical discomforts, faith in the stars He is a foolish king who consults the stars constantly. Him his wealth deserts Therefore, one should not wait for what is believed to be astrologically an auspicious moment to give effect to his plans He must on the other hand act without loss of time and with confidence in his power and ability [26]

There must be a clear understanding as to what is wealth and what is not wealth for a State having aggressive intentions As increase of wealth is one of the fundamental aims of a forward State, its policies must be formulated in a manner helpful to its realisation.

Indulgence in passion by a king as well as a misconceived policy (*apanaya*) is a hindrance to success The former provokes popular wrath transforming the king's own men into enemies It is probably feared that this may give rise to internal trouble What is perhaps meant is that the king's conduct must follow the standard of tradi tional justness and wisdom to keep the people contented and peaceful A wrong policy towards external powers which creates enemies outside, is also similarly opposed to economic advance Both are known to have been the characteristics of the *Asuras* and are believed to be responsible for their downfall The lesson to be drawn from this quoted precedent is that loss of political power may ultimately be assigned to circumstances which are in conflict with the forces that lead to economic development [27]

In the circumstances that cause the prosperity of the enemy may exist factors which, though undoubledly conducive to his well being, may be full of advantages for the aggressor also, or may signify their negation, i e what may be wealth for the enemy may be not wealth for him or may even be positively dangerous or harmful to his interests [28] In any case the issue may be problematic and must therefore, be subjected to an investigation before any policy is evolved In brief, it is meant that if the enemy is prosperous for the same reason must it not be taken for granted that the particular elements, which make up his prosperity, will if they come under the aggressor's control, will give him the favourable position held by the former It must not be assumed *ipso facto* that he will be in a position to grow prosperous if he can capture the wealth or territory of his enemy, although gene rally speaking the projected action is not supported by the result of an exhaustive analysis of *inherent probabilities and their expected reactions* in every case that comes up for determination The discussion is so far centred on *what is described as apadartha* This is followed by a classi fication of doubts that occur to a questioning n ind regarding *artha* and *anartha* judged from their respective consequences [29] Doubts which arise in divergent cases may be crystallised in a set form of successive stages of speculation as indicated in the Text Thus what is understood by wealth may, in effect, turn out to be its opposite when it comes into his possession due to the fear arising in the minds of the people on his

side (subjects or allies), or his enemies It will be necessary to consider whether by securing the gain he may be suspected of strengtheing his position to such an extent and in such a manner that his own men and enemies may get afraid of it and attempt some means to save thamselves. Unless he is prepared for the contingency he may have to face a serious threat to his power In such circumstances the first question to be examined and answered is whether or not the end sought will constitute a gain or not. Now the question will be Is this not wealth or not? The answer can be either affirmative or negative. In answering the question the whole case for or against affirmation and denial will come out Next, a doubt will arise as to whether what is posed as a gain in this course of interrogation may actually be a case of non-wealth, both in its content and bearing, the possession of which may bring forth sad results In the same way it will be natural to argue whether what has been affirmed as *anartha* may contain an advantage within itself and hence be worth having Doubts may arise as to whether a particular case offers prospects of a gain, or not (meaning absence of gain, not necessarily loss), or *anartha* (which means no gain but loss with harmful effects), or not *anartha* (i e , merely loss) The problem is that of finding out whether the *artha* in such a case contains the fearful element of *anartha* Similarly, a doubtful matter may be whether *artha* is present in a case that appears to be one of *anartha* To illustrate the point as to where speculation will be needed to dispel a doubt, some typical problems in the form of a sort of a questionnaire, for example, have been furnished [30] Thus, it will have to be answered whether it will be a real gain if an attempt to secure the gain will stir up the enemy's ally into action against him, i e , the invader, or to encourage him to hope that the enemy will, if weakened, come to attach greater importance than before to his friendship with him

Another case of doubt will arise if to seek an advantage it will be proper to win over the army of the enemy with gifts of honour and money [31] It may be supposed that the doubt in this instance may arise due to the uncertain nature of the consequence of this approach which, if unsuccessful, will mean fruitless expenditure and furthermore expose the weakness of the invader to undesirable reactions Similarly another typically doubtful case appears when it will be necessary to investigate

whether the *artha* spent on making grants of land to neighbouring rulers will or will not lead to loss with harmful consequences Where the aggressor joins a more powerful colleague in launching a campaign, the result is uncertain It may be either fruitful or harmful [32]

No advantage can be secured from seizure of wealth which arouses fear from all quarters *at the same time* [33] *On the other hand it is a* case of simultaneous disadvantage because it causes loss and trouble of all sorts since it may be impossible to hold the *artha* obtained if it leads to an assertion of different elements against him apart from the loss incurred in acquiring it When a gain is likely to invite opposition from an ally it involves something which is more serious than a mere loss of wealth, it may have political consequences harmful to the aggressor state Again, it may be possible to expect a gain from one *side and a second one from another side In such circumstances* a miscalculation about their relative merits may give rise to unfavourable situations Where chances of advantage are everywhere, the aggressor should move forward to secure the one which is more substantial [34] If it is found that two alternative courses can yield the same type of advantage he must prefer that which is more important for him, nearer to reach and available with greater constancy [35]

The object of the aggressor is to add to the economic well being of his territory The protection of a country means protection of its wealth When it faces a danger from outside from which it is impossible to escape unscathed, it is a problem as to how much of his *sovereignty, composed of six elements including treasury* should be surrendered to prevent total disintegration In coming to a decision on this point the ruler when confronted by a danger from outside, should, by wise calculation agree to part with that constituent which is the weakest of all and thus save the rest if required by the circumstances connected with the situation that has arisen due to the threat If the danger is from both sides, he will perhaps have no other alternative due to the volume of pressure exerted on him, than to surrender the more powerful of the constituents i e, to make greater sacrifices If he has to sacrifice everything he has he is advised to do so for it may be hoped that if his life is not lost, he may some day regain his position [36]

A group of six *anubandhas* (i e factors invariably associated as

effects, or inseparable concomitants) is formed representing the different results in all their possible combinations or relations with *artha* or *anartha*.[57] Thus in different circumstances *artha* will have two different *anubandhas* and another which is neither of the two: (1) *arthānubandha* i.e., wealth which brings *artha* in its wake, (2) *artha* which is not followed up by *artha* as its *anubandha* (i.e., neither further gain, nor any loss), (3) *artha* with evil consequences in its trail (*arthānarthānubandha*). The other group of three *anubandhas* is connected with *anartha*, comprising (1) *anartha* with *artha* as its *anubandha*, (2) *anartha* not followed up by *artha*, and (3) *anartha* which may lead to a calamity or trouble.

When the neighbour of the enemy (who is, therefore, also an enemy of the enemy) is helped with money and troops, it is a case of non-wealth (because of the expenditure involved) which may, however, ultimately be productive of wealth (*artha*). If while an inferior power is encouraged to be drawn into a fight with the enemy, the aggressor himself withdrawing from it, it will be an instance of non-wealth producing no effect. But it will be a case of non-wealth (*anartha*) begetting *anartha* (disaster), when the aggressor withdraws, while his associate, if a superior power, is still in the fight. For by this act he will cause the displeasure of his ally who is stronger than he. In this order of enumeration that which precedes is better than that which follows immediately. It is to be concluded, therefore, that the *artha* which is productive of wealth is estimated to be of the greatest value. It is thus seen that there may be a kind of *artha* (wealth) or gain which is productive of wealth, another which is non-productive, still another which does not pay any return but may even cause some mischief. Similarly, there is a type of non-wealth, though a source of trouble, may be productive of wealth, another type which is non-productive i.e., productive of neither *artha* nor *anartha*, another, again, which may lead to further trouble or loss of wealth. The different consequences which flow from *artha* and *anartha* thus form a compact of six different categories, the acceptability of each component being less than the one that precedes it in the classified order, the *artha* as productive of wealth with which the account begins, therefore, is of the greatest value and the one which stands at the end is the worst of all. There

is no loss and on the other hand the gain is the highest in the circumstances connected with the premier category.

The process of reasoning to be gone through seems to involve three distinct stages: In the first stage the features of the existing collocation of circumstances which is the subject of enquiry are to be argued out. In the second stage these are to be compared with the generalised notions about artha, anartha and their various types, or combinations based on observation of individual instances and experience grown out of it. If the attributes of the particular collocation, on an analysis, agree with or differ from those of one or other of these types, this must be affirmed or denied as the case may be in the form of a conclusion. The argument in the next stage will have two premises, the second of which will state that the particular collocation referred to above has or has not the attributes of the type of artha or anartha, as already found on comparison, those attributes, with the relevant type, being stated in the first premise which naturally will be a universal one The conclusion which follows from these premises will either affirm or deny a relation between the universal and the particular. Thus if, for instance, *a* represents artha, and *d* its known attributes, and *c* the particular case with which the relation of *a* is to be judged, the form of the argument, if a negative one, will be as follows

All *as* have the attributes '*d*.'

*c* has not those attributes (*i* e. *d*)'

∴ This (i. e., *c*) is not a case of *a*

Or, it will give an affirmative conclusion, as noted below

All *as* have the attributes (*d*)

This (*c*) has those attributes.

∴ This case is a case of *a*.

The same process can be applied to cover the ground of affinity or contradiction between any particular situation that may arise to offer itself for aggressive exploitation and either *artha* or *anartha* in the different forms of each with generalised conceptions of its characteristics

But it is reasoning that brings out the character of its affirmative or negative side functioning as an active force in its impact on human

affairs, which promotes either economic progress in a State, or dooms it to retrogression or even annihilation with the withering of its economy which is an indispensable support for political power. What is denoted by the group comprising *artha*, *dharma* and *kāma* (*artha-trivarga*) is the very reverse of what is denoted by the other group constituted by *anartha*, *adharma* and *śoka* (called *anartha-trivarga*).[23] Dharma and kāma of the first group are the antitheses of adharma and śoka respectively. What is adharma can never be dharma or one that leads to it, neither śoka can ever affirm kāma. These are irreconcilables unlike artha and anartha which may be transformed one into the other or whose respective consequences are mutually changeable under certain circumstances as already noted. If and where artha leads to anartha, its former associates—dharma and kāma will vanish and be replaced by adharma and śoka, which go together with anartha in the trio—*anarthātrivarga*. Similarly it follows, that if anartha becomes converted into artha, adharma and śoka will cease to exist in such an event, and their place will be taken by dharma and kāma which co exist with artha in the *arthatrivarga*. Thus the line of reasoning adopted indicates that the theory is that while artha and anartha are capable of reversing their original relations with the associates comprised in their respective normally formed groups the associates cannot make artha into anartha or anartha into artha. Thus artha (wealth) which represents the sources of all kinds of material gain and possessions, and anartha (non-wealth or loss, the opposite of artha which may lead to utter ruin in its most accelerated form) are of primary importance in shaping the destiny of peoples and their territories and any confusion of thinking in regard to their interpretation may bring about consequences which may be difficult to control

## NOTES

[Left col.: Passages from Kauṭilya Text (KT) partly indicated by short quotations for facility of reference, and explanatory matters. Right col.: KT.—references to relevant Adhikaraṇas and Adhyāyas. *Abbreviations used*: Bh. (*Bhattasvāmī's* commentary—*Pratipada-pañchikā*); Breloer (Bernhard—Kauṭalīya Studien III); GS. (Ganapati Sastri—Kauṭalīyam Arthaśāstram—Text and Commentary Śrīmūla); Meyer (Johann Jakob, Das Altindische Buch Vom Welt-Und Staatsleben: Das Arthaśāstra Des Kautilya-1926), Nayac. (commentary—Nayachandrikā), Sh. (Shamasastry, Text and Translation); JS. (Kautilīyam Arthaśāstram, ed. by J. Jolly and R. Schmidt, 1923). *Additional insertions under the same reference number on* the left side are in every case preceded by the sign ' ; '. Single hyphens separate parts joined by the rules of *sandhi* or *samāsa*].

## CHAPTER I

1. Prithivyā lābhe pālane cha...idam arthaśāstram kṛitam. In the passage GS. and Sh. read 'prasthāpitāni' for 'prastāvitāni' (JS, R. G. Basak—Bengali Translation with Text, Vol. I. 10.), ......prayogam-upalabhya cha...narendr-ārthe śāsanasya vidhih kritah (verse). I. 1; II. 10.
2. Ḍeśah prithivī. Tasyām himavat-samudr-āntaram-udīchīnaṁ yojanasahasra-parimāṇaṁ tiryak (GS, Sh, parimāṇam-atiryak-JS)-chakravarti-kshetram ......... ; yatra-ātmanah samya-vyāyāmāṇām bhūmir-abhūmih parasya sa uttamo deśah IX. 1
3. Baudhāyana: I, 1, 25
4. Manu: II, 21
5. Kambal-ājin-āśva panya-varjāh śaṁkhi-vajra-mani-muktāh suvarna panyāś-cha...dakshināpathe. The view of Kautilya expressed here is different from (n-eti Kautilyah) that held by his āchārya VII. 12

6. Tasyām chātur varny-ābhinivesam satva bhoga-sahat-vād-avara-varna-prāyā śreyası, bāhulyād-dhruvatvāch-cha VII.11.21

7. Bahula-sāram vā Vaiśya Śūdra-balam iti, i.e an army consisting of Vaiśyas and Śūdras is of great worth like a trained and disciplined Kshatriya army. IX.2

8. Pravritta himsānām-aparigrihītānām shad-bhāgam grih-nīyāt II 6

Sh.· 'parigrihītānam' instead of 'aparigrihītānām'. Meyer takes the passage with aparigrihītānām in the sense of those who are in the act of killing (animals) 'not caught' (p.190) and 'pravritta himsānām' of those who indulge in slaughter. GS.—Srimula: those that roam in forests, those that are ownerless and not protected (Vol. I, p. 98), Sorabji·— pravrittahimsa°-'those whose slaughter is permitted'. (SNAP).

Probably the passage means:— $\frac{1}{6}$th share of animals, when they are being slaughtered, if a share of such animals, when not killed, has not already been collected.

9. Udaradāsa varjam...... brāhmanam chaturgunah. III.13
For further details, see the rest of III 13 (KT.)

10. Brāhmanam tam-apah praveśayet IV.11

11. Ity-āya śarīram, ..vyaya śarīram II.6

12-13. Yah samudayam dvigunam udbhāvayati sa janapadam bhakshayati. II 9

14. Karanīyam siddham śesham āya vyayau nīvi cha, vartamānah paryushito'nyajataś-chayah II.6

15. Nashta-prasmritam...anyajātah II.6

16. Yah samudayam vyayam upanayati sa purusha-karmānı bhakshayati II 9

17. Samudāyikeshv°-avaklıptikam (JS, sāmudayi°-GS.) vyayam upahatya rāj-ānutapyeta II.7

18. Mūlahara*.........pratishedhayet; yah mūlaharah. II.9
Yo bhṛity-ātma-pīdābhyām-upachinoty-arthaṁ sa kadaryaḥ. Eating up (i.e. spending) whatever is produced (or earned), with immediate effect, is an act of recklessness which is likewise discouraged with implied stress on the virtue of saving or investment: yo yad-utpadyate tat-tad-bhakshayati sa tādātvikah;

yaḥ pitṛi-paitāmaham-artham-anyāyena bhakshayati sa mūlāharah (i.e. one who draws upon ancestral money for no lawful reason is called mūlahara)

19. For an account of their respective duties, see II. 7 (KT).

20. Teshāṁ haran-opāyāś-chatvariṁśat II.8

21-22. Stanzas: Evam mūlyaṁ.....kośa bhūshanā containing the line: *Khanibhyo dvādaśa-vidha-dhātuṁ panyaṁ cha sambaret.* "Thus he shall raise from mines the twelve kinds of revenue, as the value (of the output), the king's share, the five per cent premium, the testing charge of coins (or the gain derived from the manufacture of commodities from minerals), the fine (of 25 panas), the toll, the compensation for interfering with a royal monopoly, the special fines, the coinages, the eight per cent premium, the metal or minerals and the profit raised from trading. Thus he should establish the collection of the best part of all sorts of merchandise as taxes. From mines comes the treasury, from the treasury comes the army, the whole earth is gained by the treasury and the army, and it has the treasury for its ornament", (JS., Vol II, p. 23). II.12

Although Jolly and Schmidt refer to twelve kinds of revenue, the above stanzas actually name ten i.e. mūlya, vibhāga, vyāji, parigha, atyāya, śulka, vaidharana, danda, rūpa, rūpikā. 'Metal or minerals

and the profit raised from trading', alluded to in the above translation may be taken as two sources of income in addition to the ten named in the verse. Thus altogether there are twelve kinds of revenue as mentioned in the passage.

The passage in śloka metre is translated by Sh. as follows (quoted): "Thus besides collecting from mines the the ten kinds of revenue, such as (1) value of the output, (2) the share of the output, (3) the premium of five per cent (vyaji), (4) the testing charge of coins (parigha), (5) fine previously announced (atyāya) (6) toll (śulka), (7) compensation for loss entailed on the king's commerce (vaidharana), (8) fines to be determined in proportion to the gravity of crimes (danda), (9) coinage (rūpa), and (10) the premium of eight per cent (rūpika), the government shall keep as a State monopoly both mining and commerce (in minerals)".

The stanza has *evam sarveshu panyeshu sthāpayen-mukhasaṁgraham*', which is translated as.

"These taxes (mukhasamgraha) on all commodities intended for sale shall be prescribed once for all". (Sh) According to Meyer *mukhaśaṁgraha*=total income. GS. takes *mukha-saṁgraha* in the sense of pradhānam sāras-tasya saṁgraham, agreeing with the interpretation as suggested in the quotation from JS. above.

Perhaps the meaning is that taxes are to be collected at the source.

Kangle· "Thus from the mines he should collect the price the share, the surcharge, the monopoly tax, penalty, duty, compensation, fine, inspection fee, and manufacturing charges as well as the twelve kinds of metals and commodities (made from them). In this way he should fix the collection

(of income) under various heads in the case of all commodities".

Thus *khanibhyo dvādaśa-vidham* is taken as qualifying 'dhātum panyam cha samharet', and not as connected with the proceding part which names the sources of income. III. 10.

23. Paśu-prachār arthām

24. Karadāh Karadeshvādhanam vikrayam...brahmadeyikeshu

25. Rājā bhūmeh patir-drishtah śāstrajñair udakasya... II 24 (verse), GS, Vol. I, p. 289, JBORS-XII

## CHAPTER II

1. Bhūtapūrvam-abhūtapūrvam vā janapadam II.1
2. ...kulaśat-āvaram pañchaśata-kulaparam grāmam II.1
3. Śūdra-karshaka-prāyam...Śūdra cutivators (who are to be preferred to Vaiśya agriculturists) See Nitinirniti—com. by Yogghama, also GS Vol. I, p. 109. Some think Śudras and agricultural people are meant. Cf. Sorabji, SNAP; - Meyer. II.1
4. Karadebhyah-krita-kshetrāny-aika purushikāni (i. e. land for cultivation given for life) II 1
5. *Grāma-bhritaka-vaidehakā vā krisheyuh* II 1
6. Sahodakam āhary-odakam vā setum bandhayet, anyeshām vā badhnatām bhūmi-mārga-vriksh opakaranānugraham kuryāt II.1
7. Ritvig-āchārya-purohita śrotribhyo brahmadeyānyādand ākarāny abhirūpa-dāyakāni prayach-chhet; adhyaksha-samkhyayak - ādibhyo...vikray - ādhānavarjam (cf. KT V 3 23, *śata varga sahasra-vargānām*-adhyaksha ..kuryuh-KT. II 3) II 1
8. *See No. 6 above*
9. vikray-ādhāna-varjam (see No. 7 above)

10-11. Abhirūpa-dāyakāni prayachchhet (see No. 7 above) II. 1

12. a Matsya-plava-harita-panyānāṁ setushu rājā svāmyaṁ gachchhet

13. Bahula-parikrishtāyāṁ svabhūmau dāsa karmakara-danda-pratikartribhir-vāpayet II. 24

14. Vāp-ātiriktam ardha-sītikāh kuryuḥ. Johnston proposes to separate *'vāpātiriktam'* and form a sentence with *'ardhasītikāh'*, adding 'vā' after it. He interprets the passage as meaning that 'alternatively the land should be let out to cultivators who pay half the produce as rent' on *'the vāpātirikta system'* which he explains as 'the system under which an amount equal to the seed sown is deducted from the gross produce of the field and handed over to the tenant', with the balance 'divided between the king and the tenant' (JRAS, 1929, p. 91).

15. Sva-vīry-opajīvino vā chaturtha-pañcha-bhāgika yatheshtam-anavasitam bhāgam dadyur°. According to Johnston *avasita-bhoga* means' a determined share' i. e. the share set out above, a fourth or fifth, hence *anavasita bhāga* · 'a share other than those', thus set out. S's translation, which has been followed, agrees with Meyer's view.

In any case the tenant under the system, thus denoted, enjoins on the whole more than half share (krishi-phal-ārdha-bhāga-svīkarana. Srīmula, GS: Vol. I, p 196) if the reference here is to the same field brought under cultivation. It is not explained, however, on what basis the amount of seed to be sown is calculated, which is to be equal, as Johnston holds, to the amount to be deducted for the tenant. Bh (com. Pratipadapañchika) explains *vāpātirikta*° as meaning 'vāpād-atiriktam prabhūtatvāt krishtam kshetram-aśakyam vaptum'—i. e. surplus unsown

field, which is difficult to sow directly because of the largeness of the area. JBORS—XII.

Bh. understands by '*vīry-opajīvīnaḥ*' *persons who*, unable to provide themselves with seed etc., have to earn their living by physical (*manual*) *labour*: vīj-ādy-abhāvena kāya-kleśa-mater-opajīvinah-sva-vīrya.* Johnston takes this to refer to '*those who* live by the exploitation of their martial qualities, such as soldiers, policemen, *peons*, etc.' (*op. cit.*, p. 94). If *vīrya* is taken to mean martial qualities it cannot denote any form of labour, other than that of a soldier. This view is not, therefore, likely.

16. °*anyatra krichchhrebhyaḥ*. Johnston rejects Sh's rendering: 'with the exception of their own private lands that are difficult to cultivate', which Jolly, however, accepts (Fetschrift—Kuhn, p. 29), joining with it 'svasetubhyaḥ' which follows. He takes it to refer to cases where the king's stocks of grain being deficient 'the land should not be let out.........' but be cultivated direct. II 24

## CHAPTER III

1. Śastra-varma-kavacha-loha ratha ratna-dhānya...... nirvāhyam-nirvāhayato°...panyanāśa-ścha. According to some, exporting of the articles named is prohibited in this passage. This is also the view Dr. R. G. Basak, Bengali Translation, Part I, p. 170. But Meyer points out the difficulty in accepting the proposed interpretation of *nirvāhayati* in this particular case. He holds that both importing and exporting may be—indicated in this passage (p. 171, fn. 2), while some take the *rule to apply to importing only*. II. 21

2. Verse. Rāshtra-pīdākaram......

3. For Schedule of Toll rates, see II. 22 (KT.)
4. Kretri-saṁgharsha-mūlyavriddhih...; II. 21
pratikretribhyād-vā......rājā haret.
5. The rate of toll to be fixed in accordance with the prevailing custom, or the usage of the community concerned: panyānāṁ sthāpayech-chhulkaṁ...... (verse)
6. Saṁkha-vajra-mani...vetana phala-nishpattibhih.
7. Para-vishaye tu panya-pratipanayor-arghamūlyam ...°udayaṁ paśyet; vāripathe cha yāna-bhāgaka (JS; yānabhātaka—GS)......argha-pramāna°...... II. 16
8. Yach cha panyam prachuram syāt...ekīkrity-ārghaṁ āropayet, sva-bhūmijānāṁ rāja-panyānāṁ-eka-mukhaṁ...sthāpayet.
9. Prāpte'-arghe vā-(regarding *enhancement of rates*)
10. Para-bhūmijānāṁ anekā mukham II. 16
11-12. Para-vishaye tu panya-pratipanyayor°—See Note 7 above.
13. Asaty-udaye bhānda - nirvahanena panya-prātipany-ānayanena-lābham paśyet, atavy-antapāla-......... gachchhed anugrah-ārtham
14. See No. 7 above. Yātrā kāla° ..chāritrāny-upalabheta
15. Ubhayam cha prajānām......°aupaghātikaṁ vārayet
16. Anujñātr-krayād° pañchakam śatam-ājīvaṁ sthāpayet; paradeśīyānāṁ daśakam IV. 2
17. Kretri-vikretror°......ādāyād°
18. Yan nisrishtam-upajīveyus°
19. Tena dhānya-panya nichayāṁś ch-anujñātāḥ kuryuh
20. Dhvaja mūl opasthitasya......vaidehakāh ..panyasya brūyuh Johnston thinks that the '*Vaidehaka*' has 'his exact analogue in the *bepari* of Bihar'. This word', he says, 'is used in a general sense of any small trader', (JRAS, 1929, p. 102). Kretri-saṁgharshe...kośam gachchhet. II.21

21. Paṇya-bāhulyāt-paṇy-ādhyakshaḥ...avikrīteshu n-ānye vikrīṇīran. IV. 2

22. ...tāni divasa-vetanena IV. 2

23. Kāru-śilpīnām karma-gun-āpakarsham-ājīvaṁ...... daṇḍaḥ—

24. Praveśyānām mūlya-pañcha bhāgah II. 22

25. Kshauma dukula......pañchadāśa bhāgaḥ (Rates of *śulka* on certain commodities are mentioned here).

26-27. Daśa-bhāgaḥ pañchadaśa bhāgo vā; viṁśati-bhāgah pañchaviṁśati bhago vā. For further details, see II. 32 (KT).

28. Dvāra-deyaṁ śulka-pañcha-bhāgam (pañcha-bhāgaḥ. —GS.)-ānugrāhikaṁ vā yathā deś-opakāraṁ sthāpayet.

29. Para-bhūmijaṁ panyam......nāvika-sārthavāhebhyaś-cha parihāram-āyati kshamaṁ dadyāt. II. 16

30. See note 1 above II. 21

31. ...yato lābhas-tato...alābhaṁ parivarjayet (verse)

32. teshām-anyatamasy-ānayane

33. See n. 23 above. Kāru-śilpinām karmagun-āvakarshamājīvaṁ vikrayaṁ *kray-opaghātam vā saṁbhūya samutthāpa-yatāṁ* sahasraṁ daṇḍah (i.e. if people by combining themselves cause a deterioration of the quality of the work of artisans (skilled and unkilled) with a view to making profit, and obstruct the course of sale *and purchase, they are to be fined* 1000 (panas). See Meyer, p. 323). It has been supposed by some that the passage probably refers to a combination of traders and craftsmen. But this is not clear from the KT. Cf. Breloer (III, 382) Kangle (Pt. II, p. 301) holds that this passage does not refer to traders, but only to artisans and artists conspiring together 'to upset the market. This view *also does* not *strictly* follow the text. IV. 2

26

34. Regarding retail sale, cf. Yathā-deśakālam...... dadyuḥ; n-odayam-adhigachchheyuḥ.

35. Sthūlam-api cha lābham prajānām-aupaghātikaṁ vārayet. II. 16

35 a. Vaivāhikam...bhāṇḍaṁ-uchchhulkaṁ gachchhet II. 21

## CHAPTER IV

1. Naṭa - nartana - gāyana - vādaka-vāgjīvana-kuśīlavā-vā na karma - vighnaṁ kuryuḥ ; nir-āśrayatvād-grāmāṇāṁ kshetr-ābhiratatvāch-cha purushāṇām kośa-vishṭi-dravya-dhānya-samṛiddhir-bhavet-iti (*vā-gjīvinaḥ*=those who earn their living by speeches made with an ulterior motive; *nirāśrayatvād......* as workmen cannot find shelter (and occupation elsewhere), they remain in their own villages, devoted to their agricultural work and thus prove a source of much prosperity. Their attention is not to be diverted to amusements etc., and they must be kept free from external influences). II. 1

2. Nir-āśrayatvād...bhavat-īti. See Sh. (Trans.)—p. 47. 1956, cf. no. 1 above— II. 1

3. Udāradāsa-varjam-āryaprāṇam-aprāpta - vyavahāraṁ Śūdraṁ vikray-ādhānam-nayataḥ svajanasya dvādaśapaṇaḥ daṇḍa; Vaiśyaṁ dviguṇaḥ; Kshatriyaṁ triguṇaḥ; Brāhmaṇaṁ chaturguṇaḥ. III. 13

4. See No. 3. above.

5. Mlechchhānām-adoshaḥ prajām vikretum-ādhātuṁ vā.

6-7. Na tu ev-āryasya dāsa-bhāvaḥ; athavāryam-ādhaya (atha vāryam—JS.) kulavandhana, āryāṇām - āpadi (tūryāṇāṁ - āpadi—JS.) nishkrayaṁ ch-ādhigamya bālam sāhayya-dātāraṁ vā pūrvaṁ nishkrīṇīran.

8. Sakṛid-ātm-ādhata nishpatitaḥ sīdet

9. Vitt-āpahārino vā dāsasy - āryabhāvam - apaharato'- rdha-daṇḍaḥ. According to Meyer this pasage means that punishment, half of that appropriate for a person who robs another of his Āryahood, is deserved by a slave who steals something. (Here '*ārya*' does not seem to mean 'free'). III. 13

(The use of 'vā' does not seem to indicate any *distinction in regard to the amount of fine to be charged. 'Half' is probably connected with the fine mentioned in the preceding portion).*

10. Ātma-vikrayiṇaḥ *prajām-āryaṁ vidyāt (Here 'ārya'* means 'free'.)

11. *Ātm-adhigataṁ, svāmikarm-āviruddhaṁ labheta pitryaṁ* cha dāyam.

12. Sakṛid-ubhau ....

13. Pretaviṇa-mūtr-ochchhishṭa-grāhaṇaṁ... *mūlya - nāśa-*karam...

14. *dāsa-dravyasya jñātayo (not 'jñatāya' as in JS. edition)* dāyadaḥ teshām-abhave svāmī

14. gṛihe(-gṛiha-Mysore ed., 1960)-jāta-dāya-āgata-labdha-krītānām - anyatamaṁ.........nīche karmaṇi videśe dāsīṁ...vā...bharmaṇyāṁ vikray-ādhānaṁ nayataḥ ...cha III. 13

15. *Svāmino'syām dāsyām* jātam samātṛikam adāsaṁ vidyāt

16. Krita-bhāṇḍa-vyavaharam-ekamukham...sthāpayet II. 12

17. Saṁgha-bhṛitāḥ sambhūya-samutthatāro vā yathā-saṁbhāshitaṁ vetanaṁ samaṁ vā vibhajeran; III. 14

tena sangha-bhritā vyākhyātāḥ. [The expression *saṁgha-bhṛitāḥ* raises the question as to whether the reference is to workmen serving under companies, or associations of workmen. Probably the *saṅgha* is that of workmen, not of masters]. III. 14

cf. na ch-ānivedya bhartuḥ saṅghaḥ kiṁchit pati- *III.* 14

hared-apanayed vā. Here '*bhartā*' means employer and *saṅgha* an association of workmen.

18. Ślakṣṇa-sthūla-madhyatām cha sūtrasya viditvā vetanam kalpayet; bahv-alpatām cha ('bahv-alpatām cha' taken as a separate section by GS.) sūtra-pramāṇam jñātvā tail-āmalak-odvartanair-eta-ānugṛihṇīyāt. (For Kangle's view, see, op. cit., vol. II, p. 67) II. 23

19. Tithishu pratipādana-(pratimāna-dānaiś-cha—see Kangle, p. )-mānaiś-cha karma kārayitavyāḥ; kṛita-karma-pramāṇa-kāla vetana-phala-nishpattibhiḥ kārubhiś-cha karma kārayet, pratisaṁsargaṁ cha gachchhet

20. cf. na ch-ānivedya bhartuḥ saṁghaḥ kiṁchit parihared-apanayad-vā. See note No. 17 above. III. 14

21. Karshaka-vaidehakā vā (i.e. cultivators or merchants) sasy-apaṇy-ārambha-pary-avasān-āntare (i.e. at the end or in the middle of their cultivation or manufacture) sannyasya yathā-kṛitasya karmaṇah praty-aṁśaṁ dadyuḥ. Cf. Sh.'s translation of the passage which has been quoted. '*antare*' here means: between the start of the work and its end). III. 14

22. See note 21 above. Kṛitakarma*...gachchhet II. 23

23. Gṛihitvā vetanam karm-ākurvato bhṛitakasya dvādaśa-paṇa daṇḍaḥ (bhṛitaka, wage-earner, i.e. employee working on 'wage-basis. This gives the sense better than the word 'servant'.) III. 14

24. See note 17 above

25-27. Tasya vyayaṁ karmaṇā vā labheta; bhartā vā kārayituṁ; 'n-ānayas-tvayā kārāyitavyo mayā vā n-ānyasya kartavyam'-ity-avirodhe (avarodhe- Mysore edition, 1960). For reference, see n. 30 below) bhartur-akārayato bhṛitakasy-akurvato vā dvādaśa-paṇo daṇḍaḥ (i.e. this is not to be done by any body 'except you the employee and not to be got done by me the master through any body else'. There is no room for III. 14

any dispute or misunderstaning (*avirodha*) in this case as the terms relating to mutual obligations are obviuus, if the employer does not get it done and the employee does not do it, as required by the terms the one who violates the agreement will be punished. The same idea may also be derived if the expression used is *'avarodhe'* i e. if the binding or restriction due to such on agreement exists). The sense to be derived from the passage including no. 29 below is indicated by Meyer as follows: alternatively the employer may get the work executed by another person, unless the employee debarred by any agreement existing between the employer to the effect that "you should not get it doue through some body else nor shall I give it to some one else"[1]. Then, again, if the employer assigns to his employee a work which is other than the one stipulated (karma-nishthāpane bhartur-anyatra) even though the latter may have received some money (grihīta-vetano°) in advance, it will not be obligatory on his part to do it if he is unwilling. See Meyer, pp. 291-292

28. Aśaktah ..vyādhau vyasaner°—'Irrespective of', II. 16

29. karma-nishthāpane *bhartur-anyatra grihīta-vetano* III 14 nāsakāmah (na sakāmah ?—See Kautilīyārthaśāstra, 1960, ed. N. S. Venkatanathacharya, Mysore, p. 194, n. 3) kuryāt, upasthitam-akārayatah '*kritameva vidyad ity-ācharyāh.*'

30. *ne-ti Kautilyah* kritasya vetanaṁ n-ākritasy-āsti (i.e. *vetana* is for work done, not for work not done).

31. Sasyānam gopālakah karshakah sarpishām vaidehakāh III 13 panyānām-ātmanā vyavahritānām daśama-bhāgam-asamsambhāshita-vetanam labheta

32. Pradeshtāras-trayo vā amātyāh (i.e three pradeshtā-s IV. 1 or three amātyas) kantaka-śodhanam kuryuh

33. ...nirdishṭa-deśa-kāla kāryāñ-cha karma kuryuḥ—cf. IV. 1
...pradeshṭāraḥ bali-pragrahaṁ cha kuryuḥ II. 35
(i.e. pradeshṭāraḥ, appointed for collection of taxes)...

34. ......nikshepam gṛihṇīyuḥ

35-36. See No. 33 above

37. Karmānta-kshetravaśena ..sīmānam sthāpayet. The passage may mean demarcation of the site only, not necessarily construction of quarters for workmen by the State. II. 4
(Sh.'s translation, which has been adopted, is not literal).

38. Cf. II. 1, 13, 14, etc.

39. Sukham vā......phala lābhabhūyas...janam-āsrāvayishyāmi; par-opahato......mām-āgamishyati; tataḥ ...vṛiddhiṁ prāpsyāmi VII. 1

40-41 Karmānto vishṭiḥ; II. 6
vishṭi-pramāṇam II. 7
vishṭi-kara-pratikaram II. 35
dāsa......vishṭiḥ II. 15

42. Tena saṁgha-bhṛita vyā khyātāḥ III. 14
cf. kāru-śilpi-khyātāḥ-gaṇāḥ; saṁgha-bhṛitāḥ sambhūya......... III. 14
kāru-śilpi-gaṇo devatādhyaksho°......... II. 6

43. Cf. Samṛiddhe......pratyaṁśaṁ dadyuḥ; sāmānyā hi......°āsiddhiś-cha III. 14

## CHAPTER V

1. (Roads are described as part of constructions within the Fort, i.e. the capital or headquarters)
trayah prāchinā rājamārgas-traya udīchinā iti II. 4
(i.e. three royal roads in the east and three in the north)

2. *Roads classified* :—

………rathyāḥ rājamārga°………vivītapathāḥ saṁyānīya° (GS; sayonīya—JS.)……grāmapathas° (*Sh's tr. followed*). *Sections, as arranged by JS:* chatur-daṇḍ-āntarā rathyā-rājamārga - droṇamukha-sthānīya-rāshṭra-vivītapathāḥ; sayonīya-vyūha-śmaśāna-grāma-*rathaś-ch-āshṭadaṇ daḥ*; *as arranged by* GS. chaturdāṇḍ-antara-rathyā; rājamārga…… droṇamukha sthānīya-rāshṭra-vivītapathāḥ saṁyānīya-vyūha-śmaśāna-grāmapathaś-ch-āshta-dandāḥ II. 4

3. Chatur-daṇḍ-āntara - rathyā (i.e. a rathyā which measures 4 *daṇḍas*). *Some take chatur-daṇḍ-āntarāḥ* rathyāḥ as a class apart from rājamārga-s etc. which are ashtadaṇḍāḥ (measuring 8 daṇḍas). But it may be better to take *rathyā* and *rājamārga as measuring* 4 daṇḍas, being distinct from the others (sāyonīya or saṁyānīya and the rest) named in the passage, which measure 8 daṇḍas.

4. See note 1 above

5. Daśa-purusho dvādas-āntaro° (i.e. 10 purushas in height and 12 purushas *in* width); tasmād—ekāntarāvarā ā-shaḍantarād°—(Śrīmūla) II. 33

6. Pañch-āratnayo ratha-pathaś-chatvāraḥ paśupathah; dvau kshudra-paśu-manushya-pathaḥ. (Thus a distinction is drawn between *paśupatha* and *kshudra-paśupatha*. For an explanation of the difference, see *Śrīmūla* (GS. I., p. 127) II. 4

7. Chatvārāḥ paśupathaḥ—See no. 6 above.

8. (*Book IV of the* Arthaśāstra of Kauṭilya deals with the duties of Government Superintendents). Cf. vraja-vaṇik-patha-prachārān vāri-sthala-patha-pattanāni II. 4

9. verse (in the end of the chapter)

Vallabhaih karmikaih sten air-antapālaiś-cha pīditam. II. 1
sodhayet paśu - saṁghaiś - cha kshīyamāna - vanik patham. rakshet-pūrvakritān rājā..... 

10. Sthala patho vāri-pathaś-cha vanik-pathah II 6
Ity-āyaśarīram ātmano vā bhūmim-aprāptah sarva-deya-viśuddham vyavaharet II. 6

11. Sections 6 to 13 (JS., Vol. I, p. 100) III. 10

12. anyeshām vā vadhnatām bhūmi-mārga vriksh-opakarān-ānugraham kuryāt. II. 1

13. Atikarshane (ch—aishām)...dandāh (*atikarshane*—is also supposed to mean 'an encroachment caused by ploughing' - Kangle, Pt II, p 128) III. 10

14 Ratha - charyā - samchāram tāla-mūla murajakaih. II 3
Cf. prthu śilā sahitam.

15 devaratha-pushparātha-sāmgrāmika pāriyānika-rathān kārayet (*pāriyānika* = chariots used for travelling purposes) II. 33

16. tad velā kūla-grāmāh . II. 28

17. Matsya-bandhakā naukā-hāṭakam (JS. and Sh.; bhāṭakam GS ) shadbhāgam dadyuh (i e. fishermen to pay $\frac{1}{6}$ of their catch as fee for use of state boats)

18. See no 16 above

19 akāle atīrthe cha taratah..... dandah

20 Sections 1 3 (JS) II 28

21 Yatrā-vetanam rāja naubhih samīpatantah .

22 Śāsaka-niyāmaka - dātra - raśmi grāhak - otsechak-ādhishthitaś cha māhānāvohemanta grīshmat aryāsu mahā nadīshu prayojayet.
kshudrakāh (JS, or kshudrikāh—KT. Mysore 1960) kshudrikāsu varshās tāvinishu

23. ushtra-mahisham chaturah pamcha laghuyānam II 28

24 Brahmana pravrajita bāla-vriddha - vyādhita - śāsana-hara - garbhinyo° ......(nāvādhyaksha) - mudrābhis tareyuh

## CHAPTER VI

1. Tat - palaśatam - āyamānī II. 19
2. Pañchapal - āvara vyāvahāriki......
3. Pūrvayoh pañchapalikāh prayāmo......°varjam
   (For Samavṛittā and parimāṇī, see Bh., JBORS., XI)
4. Rasasya......dvigun ōttarā vṛiddhih
5. ......sarpishaś - chatuḥ - shashṭi bhāgas - tailasya -
   Approximate modern equivalents:

| | |
|---|---|
| 1 hasta | = 18 (or 19) inches |
| ∴ 1 angula which is $\frac{1}{24}$ hasta | = $\frac{3}{4}$ inches |
| 1 daṇḍa = 4 hastas | = 72 inches or 6 feet |
| 1 rajju = 10 daṇḍas | = 720 inches or 60 feet or 20 yards |

1 guñja seed or rati weighs about 1.75 or 1.83 grains;

1 pala = 80 × 4 ratis = 320 × 1.75 grains = 560 or 585.60 grains.

Regarding *pala*, Alberuni says that this weight 'is much used in all the business dealings of the Hindus, but it is different for different wares used in different provinces' - Sachau, Alberuni's India, p. 163

## CHAPTER VII

1. Paura - jānapadānāṁ rūpya - suvarnani— II. 14
2. Yathā - varna - pramānam nikshepaṁ gṛihniyus°—
3. Tula - pratimāna - bhāṇḍam pautava - hastāt......
   pramāna - hīna madhyamaḥ .....cha
4. Lakshman - ādhyakshaś - chaturbhāga - tāmraṁ . II. 12
   rūpya - rūpaṁ tikshna - trapu. .māsha - vīj -
   a-yuktaṁ kārayet
5. See II. 12.-KT.

6. See note 4 above
7. Pādājīvam tāmra-rūpam māshakam-ardhamāshakaṁ kākaṇīm - ardhakākaṇīm - iti. II. 12
8. See note 4 above
9. Paṇam - ardhapaṇam pādam - ashṭabhāgam...... II. 12
10-11. Suvarṇ - ādhyakshaḥ suvarṇa-rajata - karm-āntānām ......°akshaśālāṁ kārayet II. 13
12. ...śīsena śodhayet;
sarva-dhātūnāṁ......sattva-vṛiddiḥ;
āveśanibhiḥ...lakshaṇa - prayogeshu II. 14
śreshṭhānām pāṇḍu°... II. 13
13. tapta - phala - dhautakayoḥ...deyaḥ
14. tīkshṇa - kākaṇī - rūpya dviguṇo°
15. Kāl - āntarād - api......pratigṛihṇīyur-anyatra kshīṇa-pariśīrṇyābhyām II. 14
16. See stanzas at the end of II. 12 (KṬ.)

## CHAPTER VIII

1-2. Durga-janapada-śaktyā bhṛitya-karma samudaya-pādena (JS: sumudaya-vādena) sthāpayet. Cf. dhanapiṇḍasya chaturbhāgam—GS., Śrīmūla, vol. II, p. 202 V. 3
3. See no. 5 below
4. Kārya-sādhana - sahena......śarīram - aveksheta V. 3
5. Akopakaṁ ch - aishām bhavati
6. Pay - roll: salary from 48,000 paṇas to 60 paṇas in different groups from Ṛitvik, āchārya, *mantrī* to vishṭi-vandhaka-s. (Interpretation of the concerned passages generally follow lexical renderings with which Sh's translation agrees). V. 3
7-8. Kumāra-......mantriparishad - rāshṭr-āntapālaś cha.
9. Śreṇīmukhyā...ch-āshṭasāhasrāḥ

10. ...rathik - anika...dvisahasrāḥ V. 3

11. .. kārya (Ārya: GS) - yukt - ārohaka-sahasrapaṇam

12. See note 5 apove

13. Svāmi - paribandha bala - sahāyā°— V. 3

14. Sva - varg - ānukarshiṇo°

15. .........yoniposhakaś - cha

16. Kārtāntika - naimittika - mauhūrttika - paurāṇika - sūta - māgadhāḥ......

17. ...kāry - āsāmarthyād......... I. 8

18-19 Karmasu mṛitāṇāṁ; bālavṛiddha...·anugrāhyāḥ; preta-vyādhita...°anugrāhyāḥ V. 3

20. Alpa - kośaḥ...dadyāt; alpaṁ cha hiraṇyam (*Kośa* here seems to mean the treasury of the king, not the treasure of the person benefited. The passage probably refers to a king whose financial position is not quite strong)

21. Śūnyāni (i.e. vacant, unoccupied land) vā niveśayi tum......

22. Shashṭhi-vetanasy-āḍhakaṁ kṛitvā hirany-ānurūpaṁ bhaktaṁ kuryāt...... V. 3

(The distinction in regard to food and wages to be offered to employees is made on the basis of specialisation and nature of outturn)

cf. etena bhṛitānām-abhṛitānāṁ cha vidyā-karma-bhyāṁ bhakta-vetana-viśeshaṁ cha kuryāt. V. 3

## CHAPTER IX

1. Droṇa ā-chatur-varshāt II. 30

2. Balivardānāṁ...°aśvavidhānam; viśesho...vā II. 15

3. Kośa......°chintayet II. 30

4. Ardha-sneham-avarāṇām II. 15

5. Pañchadroṇe...kalabha-bhojanam; ekādaśakam vyālānām; daśakam-aupavāhyānām; navakaṁ sānnāhyānām; ashṭakaṁ pattīnām; śaptakam mukhyānām; shaṭkaṁ devīkumarāṇām; pañchakaṁ rājñām. II. 15

6. Hasty-aśvayos-tad-adhyakshe...ardhaprasthaḥ

7-8 Daśa-rātrad-ūrddhvaṁ...droṇa ā-chaturvarshād° II. 30

9. Aratnau taṇḍuladroṇa°...pratipānam

10. Phāṇita-guḍa.........kshāravargaḥ II. 15

11. ...balivardāṇām...pāyan-arthānāṁ cha II. 29

## CHAPTER X

1. Kośam-akośaḥ...saṁgṛihṇīyāt V. 2

2. ...deva-mātṛikam prabhūta-dhānyam...yācheta

3-4 Yathāsāram madhyamam-avaraṁ vā durga-setu-karma......pratyastam-alpa-prāṇam vā, na yācheta (pratyantam-alpa-pramāṇaṁ—GS. He also frames a sentence beginning from 'durga'—)

5. Chaturtham-aṁśam...vīja-bhakta-śuddhaṁ cha hiraṇyena krīṇīyāt.

6. Tasy-ākaraṇe vā...purusha grīshme...kārayeyuḥ

7. Vījakāle-vījalekhyaṁ...nishpanne...vārayeyuḥ

8. Chaturtham-aṁśam...dhānyānāṁ shashṭhaṁ vanyānām tūla - lākshā - kshauma-kārpāsa (- valka—GS). -rauma-kauśeya...gṛihṇiyuḥ, dant-ājinasy - ārdhaṁ (karshakeshu praṇayaḥ - JS.).

9. Tad (a—GS.)-nisṛishṭam . . . daṇḍaḥ V. 2

10. Vyavahārishu praṇayaḥ

11. Suvarna-rajata-vajra-māṇi-muktā...karāḥ

12. Hiraṇyakara-karmaṇyānāhārayeyuḥ, na ch-āishām kaṁchid-aparādham parihareyuḥ

13. Kuśilavā-rūpājīvāś-cha vetan-ārdhaṁ dadyuḥ

13a. Sakṛid-eva na dviḥ prayojyaḥ V 2

14. *Sāroto vā ādhyān yācheta, yathopakāram vā sva-vasā vā*...sthāna-chhatra-veshtana-vibhushāś-ch-aiṣāṁ hiraṇyena *prayachchhet*

15. Devat-ādhyaksho......kośaṁ kuryāt

16. *Sa yadā* paṇya-mūlye nikshepa-prayogair-upachitaḥ ......moshayet

17. *Dūshyam*...*yācheta*; *dāsaśabdena*...; vyanjano° bhāryām-asya;...tahu...; hato°...; tena...; siddha° ...; *akshayam*...; *pratipannaṁ*...; *ekarūpam*; prabhūta... tena...; mātṛivyañjānayā...; saṁsiddham...; dūshyaścha...; karmakāra-vyañjano°...; chikitsaka-vyañjano......; evaṁ...varteta.

18. Taṁ dūshya-gṛiha-pratidvāri...hatvā brūyāt V. 2

## CHAPTER XI

1. Kshetra-vivādam sāmanta-grāma-vriddhāḥ kuryuh; teshām dvaidhī-bhāve; madhyaṁ vā...; tad-ubhayaṁ...; pranashṭa-svāmīkam (GS. takes '*pranashṭa-svāmikam*' as part of the preceding extract. III. 9

2. Cf. KT. II. 35: ...kṛishṭ ākṛishta...sīmnāṁ kshetrāṇām cha maryādā...karad ākarada saṁkhyānena.

3-4 Sīmāvivādam...pañchagrāmī daśagrāmī kuryāt

5-6 See No. 1; above pranashta-setubhogaṁ...... yath-ōpakāraṁ vibhajet

7-8 *Anādeyam-akṛishato°... nishkrayena dadyāt* III. 10

9. kāran-ādane prayasam-ājīvam...dadyāt III. 9

10-11 Karadāḥ......kuryuh; 'brahmadeyikā brahmadeyikeshu.' III. 10

12. Jñāti-sāmanta-dhanikāḥ kramena... II. 9

13. Sāmanta-grāma-vriddhesh.....tri āghushitam-avyāhatam (vitam-J avyāhatam-JS)

14. (Spardhitayor vā JS) spardhayā vā mūlyavardhane mūlyavriddhih saśulkā kośam... II. 9

15. Gachchhet sīm āvarodhena grām-āgraṁ...kshetr-āgraṁ tena sīmnāṁ kshetrānām... II. 35

16. Kshetrānām cha maryādā.........nibandhānkārayet II. 35

17. Sapādapanā dharmyāh māsa-vriddhih panaśatasya . pañchapanā vyāvahārikī, daśapanāh kāntāra kānām; vimśatipanā sāmudrānām°...... III. 11

18-19 Dāyādā va rikthaharāhsahagrāhinah pratibhuvo vā

20. Dhānyavriddhih sasya-nishpattāv-upārdh-āvaram (*āparam* - GS) ... *vardheta; prakshepa-p* - *vriddhir* udayād-ardhaṁ saṁnidhāna-sannā vārshikī deyā

21. Chira-pravāsas (pravāsah—GS)-stambha-pravishto vā mūlya-dvigunam...dadyāt.

22. ...dīrgha-sattra...bālam-asāram vā

23. Muchyamānam rinam......dandah

24 Nānarna-samavāye ..pratishthamānāt

25. Agrāhyāh karma-kāleshu karshakā rājapurushāś cha

26. Pretasya putrāh kusīdam dadyuh, dāyādā va riktha-harāh sahagrāhinah pratibhuvo vā .

26a. Strīkritirinam apratividhāya proshitam° .. III. 11

27. Dampatyoh......°asādhyam

28 Upanidhir (upanidhih—GS )-rinena vyākhyātah III 12

29. Parachakr - ātavikābhyām...n opanidhiṁ abhyā-bhavet.

30. Upanidhi bhoktā ..bhoga-vetanam dadyāt

31. Tena ādhi-pranāś-opabhoga....

32. N adhih...sīdet, na ch-āsya mūlyam vardheta, nir-upakārah...nisargāt

33 Prayojak - āsannidhāne vā grāma - vriddheshu sthāpayitvā...pratipadyeta

34. Nivritta vriddhiko°

35. Dattam-apy-apahāryam-ekatr-ānuśaye varteta (GS. reads dattam-avyavahāryam; this, according to Meyer, means 'not negotiable,' ; but the sense 'not to be used' in any manner, seems to be more probable). III. 16
36. Sarvasvaṁ putra-dāran-ātmānam...
37. Dharmadānam-asādhushu...kalpayeyuḥ (note that it is required that the settlement must be just)
38. Asvāmi-vikrayas-tu; nashṭ - āpahṛitam...... ; deśa-kāl-ātipattau...
39. Śulka-sthāne nashṭ-āpahṛit-otpannam tishthet; tri-pakshād-rājā - haret svāmī vā. This ends with svakaranena (GS), but JS take 'svakarnena' as starting the next sentence.
40. Beginning with 'svakaraṇena' or 'pañcha-paṇikam' and ending with the following sentence: chatush-paṇikam...dadyāt.
41. Para-chakra-ātavī-bhṛitam...rājā yathāsvam praya-chchhet
42. Pratyānetum-aśakta°......vā svayaṁ grāhen-āhṛitaṁ prayachchhet,
43. Yat svaṁ dravyam - anyair - bhujyamānaṁ dāsa-varshaṇy-upeksheta......; upanidhim-ādhim nidhiṁ nikshepaṁ striyaṁ sīmānam rāja-śrotriya-dravyāṇi cha
44 Viṁśativarsh-opekshitam-anavasitaṁ vāstu n-ānu-juñjīta
45. Jñātayah śrotriyāh...na bhogena harey uḥ

## CHAPTER XII

1. Ekastrī-putrāṇāṁ jyeshth āṁśah III. 6
2. brāhmanānām-ajāḥ
3. kshatriyānām aśvā°
4. vaiśyānām gāvaḥ

5. śūdrānām avayah

6 Chatushpad ābhāve ratna varjānām daśānām bhāgaṁ III, 6
dravyānām-ekam jyeshtho haret

7 Pratimukta svadhā pāśo hi bhavati

8 .ity ausanaso vibhāgah , pituh parivāpād . , ś-
ayan āsanam madhyam āṁsah (GS takes these as
parts of a single sentence)

9 Chaturtham anyāvrittih, nivritta-dharma kāryo va,
kām āchārah sarvam jiyeta

10 Seshānām dravyānām ekadravyasya vā · (cf Meyer
etad dravyasya (i e of the whole of this property),
GS : seshadravyānām instead of seshānam drav-
yānām, Kangle sesha dravyanam eka dravyasya vā)
samo vibhāgah (it may be added in this context
that sisters are to be excluded from the inheritance
referred to in this context adāyādah bhaginyah
cf no 24a below

11 Manusha hino jyeshthas tritiyam amsam III 6
jyeshthamsal labheta

12 °anyāyavrittih

13 pūrva janmanā jyeshtha bhāvah

14 Nana stri putrānam tu samskrit asamskritāyāh

15 (Eldest)

16 Suta magadha vrātya rathakarānam aisvarjato vibha
gah seshās tam upajiveyuh

17 Brahmanasy anantarā putras tulyamsah III 6

18 Kshatriya vaisyayor ardhamsah, tuly - āmśo va
manush opetah

18a Brahmanānam tu Parasavas tritiyam amsam labheta
dvavamsau sapindah kulyo v asannah svadha dana
hetoh (=i e a sapinda (agnate) who keeps up his
connection with the deceased kula or family shall
have $\frac{2}{3}$ share for the purpose of performing the
oblation offering ritual (asanna = nearest available?)

19 tad abhave pitur acharyo'nte vasi va

20 (Stanza) Kshetre vā jinayed-asya niyuktah kshetra jam sutam/ mātribandhuh sigotro vā tasmai tat pradiśed dhanam// (*dhanam* i e wealth money) As Kane *explains, according to Kautilya, the kshet* raja is the son of two fathers, with two different gotras having the night to offer *pindas* to both fathers (if there is no *aurasa* son born subsequently) and entitled to inherit their 'wealth'. See History of Dharmaśāstra, vol III p 659 III 6

21 Para patigrihe vijam utsrishtam kshetrina ity āchāryāh, māta bhastrā yasya retas tasy āpatyam-ity-apare, vidyamānam-ubhayam iti Kautilyah, .. dvayor api svadhā riktha bhāg bhavati III 7

22 Svayam ārjitam avibhājyam anyatra pitridravyād utthiteblıyah III 5

23 A pitridavyā vibhakta pitridravyā vā saha jivantah punar vibhajeran

24 Sodaryānām anekapitrikanām pitrito daya vibhāgah

24(i) dravyam aputrasya sodaryā bhrātārah saha jivino vā hareyuh kanyas-cha riktham (JS) '*riktham*' in the passage is proposed by some to be connected with the next sentence as *follows* riktham putravatah putrā duhitaro vā dharmishthesu vivaheshu jatah with the preceding sentence to end with kanyas cha •

The word 'riktha occurs' in the sense of inheritance' (Macdonell and Keith—Vedic Index, Vol II) in the Rigveda, III 31 (cf Nirukta) and also in the Aitareya Brahmana VII 18 9 Kane quoting Gautama Yajñavalkya *and the* Mitaksharā shows that it meant ancestral wealth Its use in the sense of *apratibandha daya* is indicated in some texts Cf Kane, pp 543, 551 (n 1028) and 650 (n 1233) Yajnavalkya (II 121) distinguishes '*bhu* from '*dravya* which means *movables like gold, silver, etc* Sometimes however the latter word is employed to mean both movables and immovables Ibid pp 554 (n 1032) 575

25. Jīvad-vibhāge pitā n-aikaṁ viśeshayet; *na ch-aikam-* III. 5
akāraṇān-nirvibhajeta.

26. Aprāpto-vyavahārāṇām deya-viśuddham matribandhushu grāma-vriddheshu vā sthāpayeyur-vyavahāra prāpanātproshitasya vā (Kangle: sthāpayeyuh ā-vyavāhara-prāpanāt)

27. Kanyābhyaś-cha prādānikam

28. Pitur-asaty-arthe jyeshthāh kanishthān-anugrihnīyur-anyatra mithyā-vrittebhyah

29. Adāyādakaṁ rājā haret

30. ...strī-vritti-preta-kārya (JS.—kadatya)-varjam III. 5

31. ......°anyatra-śrotriya-dravyāt ; tat-traividyebhyaḥ prayachchhet.

32. Patitah patitāj-jātah klīvaś-ch-anaṁśāh;° jad-onmatt-andha kushthinaś-cha; sati bhāry-arthe teshām-apatyamata dvidham bhāgam haret; grās āchchhādanam-itare patita-varjāh.

33. Pitṛi-pramānaś-chatvārah pūrve dharmyāh, mātāpitri- III. 2
pramānāh śeshāh

34. Go-mithun-ādānād-ārshah

35. See No. 27 above III. 5

36. ābadhy-āniyamah (JS, abandhy-āniyamah: GS.) III. 2
For a different interpretation of the passage, see D. M. Duncan, JRAS., Pts 1 and 2, 1958, pp. 17-25. It is proposed that females' property, according to KT, means either their ornaments or maintenance 'fixed at not more than 2000', i.e. not both together. GS. also takes 2000 as the minimum (param āvadhi.—Śrīmūla, vol. II, p. 14). D. D. Kosambi does not agree that the text specifies the coin as *Kārshāpana*. See his Intro. to the Study of Ind. Hist., 1956, pp. 145-46, Sh. thinks that the amount is given as a minimum.

37. Sarveshām prīty-āropaṇam-apratisiddham III, 2

38. Labdhvā dāpyeta vā vindamānā sa-vṛiddhikam-ubhayaṁ dāpayeta

39. Śulkam-anvādheyam-anyad-vā bandhubhir - dattaṁ bāndhavā hareyuḥ. Some suggest that this śulka signifies 'what is given by the bridegroom as the price of the ornaments for the girl, and of the household gear'. See Kane, op. cit., p. 776. It is doubtful, however, if the term has been used by Kauṭilya in this limited or exclusive sense.

40. Tad-ātmaputra-snushā-bhartmaṇi pravās-āpratividhāne cha bhāryāyāḥ bhoktum-adoshaḥ, pratirodhaka-vyādhi-durbhiksha-bhaya-pratikare dharma - kārye cha patyuḥ

41. Sambhūya vā dampatyor-mithunaṁ prajātayos-trivarsh-opabhuktaṁ cha dharmishṭheshu vivāheshu n-ānuyuñjīta. It is held that the passage probably refers to cases where 'if there be no children of the marriage and the husband expends *strīdhana* without objection by the wife, then also no complaint would be entertained." Ibid; p. 786. But in that case the reading should have been *aprajātayos*.°

42. Gāndharv-āsur-opabhuktaṁ sa-vṛiddhikam-ubhayaṁ dāpyeta

43. Rākshasa-paiśāch-opabhuktaṁ steyam dadyāt

44. Śulkam strīdhanam-aśulka-strīdhanāyā°........°stat-pramāṇam-ādhivedanikam - anurūpāṁ cha vṛittim dadyāt

45. Tadānīm-ev-āsthāpya...ābharaṇam śulka-śeshaṁ cha labheta;......; śvaśura-prātilomyena vā nivishṭā°

46. Kāma-kāraṇiyam-api putr-ārtham putra - saṁsthām kuryāt; putra-bharaṇ-ārthaṁ vā vindamānā putr-ārtham sphātīkuryāt

47. ......pati-śayanaṁ pālayanti guru-samīpe...... III. 2
(GS: ā-)āyuh kshayād bhuñjita; ūrddhvaṁ dāya-daṁ gachchhet

48. ......°duhitaraś-cha-strīdhanaṁ vibhajeran

49. ......bandhubhir-dattam bāndhavāh hareyuh

50. Tasy-ātikrame śulkam strīdhanaṁ arthiṁ cha ādhi-vedanikam dadyāt; śulkaṁ strīdhanam aśulka-strīdhanāyām (strīdhanāyās°—GS) tat-pramānam... anurūpāṁ cha vrittim...(i.e. compensation together with suitable maintenance). Cf. n. 44 above.

51. Śvasura-kula pravishtāyām vibhaktāyāṁ vā... III. 3

52. bharmanyāyām-anirdishta-kālāyam grās - āchchhā-danam v-ādhikam yathā-purusha-parivāpam sa-viśe-sham dadyāt; nirdishta kālāyām···samkhāya ban-dham...(bandham, according to Meyer, means a surety-'Haftungssume oder ein Pfand', op. cit., p. 246n) The section ending with 'dadyāt' may mean 'She is to be given more (in quality or quantity) than what is given to his assitants, helpers'. Ibid, p. 246

53. Tīrth-oparodha hi dharma vadha iti Kautilya (this is claimed to be an expression of his personal opinion by Kautilya) ; dattasulkaṁ pañcha-tīrthāni aśruyamānam, daśa śruyāmānam ; tatah param... yath-eshtaṁ vindeta. III. 4

## CHAPTER XIII

1. ......anyān vārayed deśa-pīdanāt (verse) IV. 1

2. Tantuvāyā daś-aikādaśikam sūtram vardhayeyuh

3. ...sūtra-mūlyam vāna vetanam (GS, vā na—JS) ...kshauma-kauśeyānām°

4. Rajakah kāshtha phalaka slakshna śilāsu......., pari-vartane mulya-dvigunam ..

5 Par ārthyānam—(GS, parathardhyanam—JS), madhyamanam* IV 1

6 Sthulakānam *masha-dvimashakam* dvigunam raktakānām (vetai am)

7 Śraddheyā ragavivādeshu (i e when there is a dispute in a case of dyeing) kusalah

8 Suvarnakarānām asuchi hastad rupyam krinatam . dandah

9 Suvarnāu mashakam apaharato , rupya dharanau°

10 *Mashako vetanam rupya dharanasya, suvarnasy* āshtabhagah

11 Tamra vritta pañchakam satam vetanam

12 Sikshā viseshena dviguna vetana vriddhih

13 Tamra pindo dasabhagah kshayah (JS, dasa bhaga kshayah—GS), ten ottaram vyakhyatam

14 bhishajah pran abadhikam anakhyay opakrama manasyam vipattau karin aparadhena mar mavadha ( vedha—GS ) vaigunya karane

15 evam choran achor akhyan vanik karu kusilavan/ bhikshukan ch anyan varayed desapidanat// (verse)

## CHAPTER XIV

1 Samdhi vigrahayos tulyaya n samdhim upeyat VII 2

2 Yadi va manyeta samdhin aikatah sva karmani pravartayishyami vig rahen aikatah parakarmany upahanishya n iti ) VII 1

3 Yugya purush apachayah kshayah IX 4

4 See No 13 below cf paryesheta kshayat stha iam (verse) yasmin va gune sthitah °etat sthanam VII 1

5 sva pany opaghat iti va para panyam nivartayishyami para van kpathad va saravanti mam-eshyanti VII 4

6 samhita prayane mitra hiranya bhumi labhanam VII 9

6a The passage may be further explained thus: Why is *hiranya-bhoga-mitra* preferable to *purushabhoga-mitra*? Some say, an ally who is strong in human resources (i.e. one who can help with men) is preferable to an ally whose strength is based on *hiranya*? Some, again, say that the latter is preferable to the former since the use of *hiranya* is permanent (nityo hi hiranyena yogah...hiranyena anye cha kāmah prāpyanta iti-) and it fulfils various other purposes, besides military. This latter view is held by Kautilya. Between *hiranyabhoga ally* and an ally who is strong in respect of territory, bhūmi-bhoga, the latter is better, according to Kautilya. But others hold that *hiranyabhoga-mitra* is better because *hiranya* has the power to move (presumably being a medium of circulation. JS. matimatvāt instead of the sensible reading: gatimatvāt—GS. and Mysore edition, 1960) and also for its capacity to be serviceable (or useful) through expenditure.

7. ...mitra-hiranya-bhūmi°... VII. 9

8. kshīna lubdhā hi prakritayah ..tishthanti VII. 5

9 (verse)-kshīnāh prakṛitayo...yānti virāgatām; tasmāt sadyah pratikurvīta

10 Vigrahe hi kshaya-vyaya...bhavanti VII. 2

11 Concluding verse—evam shadbhi gunair° ..karmasu VII 1

12. suprāpy-ānupālyah pareshām-apratyādeya ity ādeyah IX 4

13 viparyaye pratyādeyah: (...lakshanam tatra tad-aika-deśasy-āpradeyatvasya viparyayah praty - ādeyat-vam ādeyatva-viparyaye anādeyatve sat-ity-arthah .. ukta lakshan-ābhāve pratyādeyah anādeya ity-arthah'—Nayac, JS., Vol. II, p 138), tam-ādadanas tatrastho vā vināśam prāpnoti

14 yadi vā paśyet; pratyādeyam°. °avast āvayishyāmi-(parasy āvastāvanam bhañjanam—Nayac. (prakriti-

stad - upachay - āgrahanen-ānukulayıshyāmı—ıbıd. IX. 4
i.e. he will please the enemy's subjects living in the occupied land by not seizing its wealth).
khanıdravya......karıshyāmı, prıkṛıtīr-asyı karśayıshyāmı ; apavāhayıshyāmy-āyogen ārādhayıshyamı vā ; tāh parah...kopayıshyatı

15 Pratıpakshe v-asya panyam-enam-karishyamı

16. Mıtram-āśrayam,..vıigunyam grāhayıshyāmı; tad-amıtram......°ādadīta

17. Adhārmıkād-dhārmıkasyı...prasādako bhavatı.

18. Dūshya-mantrınām. .kopako-bhavatı (but cf. mantrīnām-upadeśāl-labho'labhyımānah (GS, lābho labhya mānah—JS) kopako bhavatı ; vıparıtah prakopa ıtı ("mantrı-vachanāt kshaya-vyayau krıtvā labh-ārtham vyāprıtasya tad abhāvh kopako bhaya-hetuḥ—Nayac., op. cıt., p. 140, ı e a king ıs to be engaged ın an action for gain on a proper calculation of loss and expenditure at the advice of his ministers. When no gain ıs made ın spite of the loss and expenditure ıncurred, the king ıs furious because of the minister's miscalculation which ıs responsible for his failure. Again, when the advice itself ıs lacking, the gain made by the king at his own ınstance causes his anger. Therefore, ıt becomes a cause of fear to the ministers. Labdhalabhō'yam asmān-nāśayıshyat-ıty-artha hī—Nayac., ı e they fear that after the gain ıs made, he will proceed to destroy them. The opposite of this ıs praśādaka).

19. gamana mātra°...

20. mantra-sādhyatvāt

21. tadātva-vaıpulyān°

22. Arth-ānubandhakatvāt vrdhy udayah

23. arth-ānubandhakatvād° .

24 praśast-opadānād°

25 tulye lābhe...bahu guna-yuktam lābham ādadita. nir-ābādhakatvāt. Note the different readings: javājavau, japājapau, jayājayau Nayac. p. 141 n— In explaining the difference between 'sāratva' and asāratya Nayac. (p. 141) refers to the quality of gems representing 'sāratva' and that of objects like salt which illustrates the latter. That which is plentiful in number or quantity is a lesser gain than that which has many valuable attributes, although comparatively small in either respect- ('alpasy āpi bahu-gunatvam —Nayac.)

26. Labha-vighnāh,. .mangalā tithi nakshtr-eshtitvam iti

27 Kāmā dir-utsekah...kopayati, apanayo bāhyah, tad-ubhayam-āsurī vrittih IX 7

28. Para vriddhi-hetushv-āpad-artho'narthah samśaya iti, yo'rthah śatru vriddhim-aprāptah......āpad-arthah, yathā sāmantānam-āmishabhūtah (i.e. anekaih spri hanīya eka-grihitah) san punah praty-ādeyah syāt, —Nayac., p 157)

29 svatah parato .... anarthah, tayor-anartho na veti, artho'nartha iti, anartho'artha iti samśayah, etc.

30 Cf JS, (KT) S s 23, 30, 44, 48, etc.

31. Śatrubalam-artha mānābhyam āvahayitum...., Śatru prativeśasy ānugrahah (i e. favours bestowed on a neighbouring ruler in the shape of gifts from the treasury and the army and also possibly those of land

32. jyāyāsam - utthāpya nivrittir - anartho'narth - ānubandhah, hīnaśaktim-utsahya nivrittir-anartho niranubandhah

If an ally of superior power is induced by offer of co-operation by the aggressor to join in a conflict for the purpose of destroying the enemy, but he later with-

draws from it, it is a useless action leading to harmful consequences (Cf. Nayac.—p. 159). If an inferior power is similarly encouraged, followod by withdrawal from the conflict, the undertaking is costly (utsāhanam-artha-sādhyatayā—Nayac.) with no result. IX. 7

33. Samantato śatrubhyo bhayot-pattih samantato'narthāpad bhavati

34. tasyām samantato'rthāyām cha lābha guna-yuktam-artham-ādatum yāyāt

35. tulye lābha-gune pradhānam āsannam-anatipātānām-yāyāt

36. ......prakritīnām laghīyasy-ekato'narthān sādhayet; °jāyasyā samantato ' narthān mūlena pratikuryāt, aśakye samutsrijy-āpagachchhet, drishtvā hi jivatah punar-āvrittir°—

Interpretation adopted is based on explanatory comments of Mādhava Yajvā (Nayac., p. 161) on the above: laghutarayā kshudrayā prakrity - eti kshudraprakrititYāgena pratikuryād - ity - arthah , jyāyasy-eti, prakritīnām praśasyatarayā mukhya-prakriti - tyāgen ety-arthah ; mūlen-eti, sthānīya-tyāgen-ety-arthah , ukta prakāra - tyāgaih aśakye pratikāre svadehasy-ātiriktam sarvam-apy - utsrijy-āpagachchhet

37. atho'rthānubandhah artho-nir-anubandhah , artho' narthānubandhah, anartho'rthānubadhah, anartho niranubandhah , anartho'narthānubandha ity-anartha-shadvargah

38. artho dharmah kāma ity-artha trivargah, anartho' dharmah śoka ity-anartha-trivargah, artho'nartha iti dharmo'dharma'iti kāma śoka iti samśaya trivargah

# INDEX

Y

# ADDENDA AND CORRIGENDA

| Page | Line | Read | for |
|---|---|---|---|
| 1 | 2 | instructive | insrtuctive |
| 1 | 5 | social relations[1] | social relations |
| 1 | 15 | resources | reasources |
| 4 | 25 | being | bing |
| 5 | 17 | marginal | margin |
| 6 | 3 | used | useed |
| 8 | 8 | Kārmikas | Karmikas |
| 8 | 8 | Kāranikas | Karanikas |
| 12 | 20 | holdings | holding |
| 20 | 23 | Add the following note (8a) on p. 199 on Samāhartā · | |

According to the Jayamangalā, Samahartā is the designation of the *deśavyavahāri*, appointed to the task of collecting revenue (*āya samāharane niyuktah*) See Arthaśāstravyākhyā · Jayamangalā, ed. G Harihara Sastri, Kuppuswami Sastri Research Institute, Madras, 1958, p. 37. It is doubtful if his rank was that of a provincial official, collecting provincial revenue, as suggested by the editor (ibid., p. xxxii) The Jayamangalā explains Sannidhātā as meaning the custodian of the Treasury, i e. the highest Treasury Officer, one in charge of the royal store (*samyannidhātā sthāpayita bhāndāgarikah*) The Chānakya tikā also takes it in the sense of the bhandagarika. The Jayamangala is comprised in one part of a single manuscript, written in Malayalam characters, of which the other part is Chanakya tikā The name of the former is given in a colophon at the end of the first *adhikarana*, and that of the latter in the third chapter of the second *adhikarana* The commentary comprised in the second part extends from the second *adhikarana* to the first chapter of the third *adhikarana* while the Jayamangala is a com

mentary on the first *adhikaraṇa*. See Jayamaṅgalā, p. 76. The Chāṇakya-ṭīkā is attributed to Bhikshu Prabhāvatī in the colophon (Journal of Oriental Research, Madras, XX-XXV—1950-55).

| Page | Line | Read | for |
|---|---|---|---|
| 22 | 14 | areas[12a] | areas[12] |
| 24 | 5 | kretāraṁ paṇeta | kretaraṁ paṇeta |
| 33 | 4 | if | If |
| 33 | 16 | profiteers[22a] | profiteers |
| 34 | 31 | wool[3] | wool |
| 36 | 14 | or about 4 | 3 and 4 |
| 40 | 1 | state | tate |
| 40 | 21 | thread[15a] | thread[15] |
| 44 | 24 | āryaprāṇa | āryaprāna |
| 45 | 19 | declared to be | declared |
| 45 | 26 | Ārya (free?) | Ārya |
| 52 | 13 | done, | done |
| 52 | 13 | basic | basie |
| 56 | 21 | he | be |
| 57 | 14 | Kauṭilya | the Kauṭilya |
| 60 | 21 | is to be fined | he is to be fined |
| 61 | 18 | adhered to, | adhered to |
| 66 | 20 | Add the following note on p. 208: Arthya - pratıkārāḥ kāru—śāsitāraḥ saṁniksheptāraḥ svavittakāravaḥ śreṇīpramāṇā nikshepaṁ gṛihṇīyuḥ—KT. IV. 1. According to Meyer (p. 315) saṁniksheptarāḥ = those who are capable of getting *jobs* executed by others; and śreṇīpramāṇāḥ = those who have a position of authority in their guild. He suggests that the passage shows that if a job, taken up, is done | |

wrongly, the guild will be jointly responsible. According to Jolly (Zeitschrift der Deutschen Morgenländischen Gesellschaft, 71) artisans who work with their own capital will be personally responsible for the security of the deposit. Nikshepa is thus taken by him in a sense which differs from what is understood by Meyer. Jolly's view seems to be more acceptable.

| | Line | | Read | for |
|---|---|---|---|---|
| 75, 77, 79 | | Top heading: | Planning of Roads and Transport | Transport and Communications |
| 78 | 16 | | naukāhāṭakam | naukāpāṭakam |
| 78 | 22 | | benefited | benefitted |
| 79 | 10 | | river[19] | river |
| 79 | 21 | | naukāhātakam | naukāpātakam |
| 81 | 28 | | women[24] | women |
| 84 | 24 | | likshā | liksha |
| 84 | 29 | omit: | how | |
| 85 | 4 | | of even | even |
| 86 | 21 | | chhāyāpaurusha | chhayapaurusha |
| 86 | 21 | | dhanurmushti | dhanurmushti |
| 86 | 22 | | śama | sama |
| 86 | 22 | | *śala* | *sala* |
| 89 | 6 | | 5 | 80 |
| 89 | 24 | | they may have – | they have |
| 93 | 19 | | vyāvahārika-pala | vyavahārika |
| 93 | 33 | | āyamānī | āyamāṇī |
| 93 | 33 | | droṇa | droṇā |
| 95 | 3 | | state | Sate |
| 95 | 15 | Strike out: | as mānasrāva | |

| | Line | Read | for |
|---|---|---|---|
| 95 | 16 | Add the following sentence after diminution[8]: For fluid things the rate is $\frac{1}{50}$ part as mānasrāva. | |
| 99 | 11 | tīkshṇa | tikshṇa |
| 99 | 26 | māsha which | māsha |
| 99 | 26 | guñjas, | guñjas |
| 100 | 15 | prakshepas° | prakshepas— |
| 100 | 16 | ,, | prākshepas |
| 100 | 16 | dviguṇo | dviguṇe |
| 100 | 16 | rūpya | rūpa |
| 100 | 17 | tīkshṇa | tikshṇa |
| 101 | 16 | state, | state. |
| 103 | 28 | praśāstṛi | praśastṛī |
| 103 | 33 | vyāvahārika | vyavahārika |
| 103 | 34 | Kārmāntika | karmāntika |
| 104 | 9 | yoniposhaka | Yoṇiposhaka |
| 104 | 16 | Kuśīlavas | kuśilavas |
| 104 | 29 | 'Fiery' | Fiery |
| 105 | 15 | Āryayukta | Ārayayukta |
| 115 | 29 | age | age, |
| 119 | 36 | under | nunder |
| 121 | 16 | anisṛishṭam... | anisrishṭam |
| 121 | 32 | group | place |
| 122 | 7 | 10 | ten |
| 122 | 18 | comprised | comprised |
| 126 | 18 | upachitaḥ | upacitaḥ |
| 129 | 16 | yathopakāram | yathoyapakāram |
| 135 | 16 | debtor[15] | debtor |
| 136 | 25 | borrowed; | borrowed, |
| 137 | 35 | 20 per cent | 10 per cent |
| 138 | 9-10 | the market-value | market value |
| 139 | 11 | maybe | may be |
| 140 | 17 | Add the following to note 21 (cf. supra, p. 216): The idea conveyed seems to be that he has become absolutely motionless or petrified, as it were, in respect of his investment. His studied lack | |

of attention to the matter may be indicated, for example, by non communication of his whereabouts. *Stambha-pravishto*° (KT. III. 11) in the passage is taken by Meyer in a different sense with no reference to the investor. It means, according to him, money, lent for purposes of investment, being merged in the fixed capital of the businessman. In such an event the interest will become double the invested amount. The same will be the case if the money goes to a foreign country (Meyer, p. 275).

| Page | Line | Read | for |
|---|---|---|---|
| 142 | 29 | brother's | brothers |
| 144 | 30 | over | ovet |
| 144 | 33 | adhi | adhi |
| 145 | 12 | pledger | pledgor |
| 145 | 18 | the | tbe |
| 145 | 32 | the | the the |
| 146 | 18 | pledger | pledgor |
| 147 | 1 | Add the following note (34a) after 'pledges'. L. Sternbach holds that the sale could be permitted if 'the object pledged was of a greater value than the debt'. See his Juridical Studies in Ancient Indian Law, Part I, p 143 | |
| 149 | 21 | reasons | reasons, |
| 152 | 22 | varnas | varnas |
| 159 | 3 | Pārāśava caste[18a] | Pārāśava caste[18] |
| 166 | 5 | ārsha | ārshā |
| 167 | 29 | arises | rises |
| 167 | 30 | pratikāra),—also to | pratikāra also) —to |
| 171 | 19 | compensation | compensarion |
| 171 | 25 | śulka | sulka |
| 171 | 27 | ...aśulka- | ......aśulka |
| 172 | 4 | (bharmanyāyām—) | (bharmanyāms |
| 173 | 7 | unknown[53] | unknown[53] |

| Page | Line | Read | for |
| --- | --- | --- | --- |
| 174 | 16 | of | oi |
| 174 | 16 | received | teceived |
| 182 | 13 | wealth[a] | wealth° |
| 185 | 3,14 | status quo ante | status quo |
| 185 | 7 | required. | required secondly. |
| 188 | 23 | pusillanimity, | pusillanimity |
| 188 | 24 | , conceit | conceit |
| 190 | 4-5 | themselves | thamselves |
| 191 | 1 | grants of money, possibly also of land, etc. (...°*ānugrahaḥ kośadaṇḍābhyām*...) (KT. IX. 7) | grants of land |
| 191 | 8 | sorts, | sort |
| 193 | 23,27 | a-s | as |
| 194 | 24 | Insert the sign : —before: the opposite of artha SNAP | |
| 196 | 17 | ( = Some Notes on the Adhyaksha-Prachāra: Bk. II of the Kauṭilīyam Arthaśāstram, 1914) | SNAP |
| 199 | 2 | Add: See his Kauṭilīya Arthaśāstra, complete in three parts. | |
| 199 | 11 | JBORS (=Journal of the Bihar and Orissa Research Society) | JBORS |
| 199 | 11 | Add the following to note 25: R. S. Sharma in his Indian Feudalism, p. 143, uses the verse quoted by the 12th century commentator Bhaṭṭasvāmī as evidence in support of royal ownership. | |

| Page | Line | Read | for |
|---|---|---|---|
| 199 | 15-16 | Nītinirṇīti | Nītinirṇiti- |
| | | Add the following to note 3: An incomplete manuscript of the Arthaśāstra (from the second chapter of *adhikaraṇa* II, written in Devanāgarī characters, discovered at the Jaina Bhandar at Patan in Gujarat, contains a commentary entitled Nītinirṇīti or Kauṭalīya-rāja-Siddhānta-ṭīkā by Yogghama, which is confined to the first three chapters and the beginning of the fourth chapter of *adhikaraṇa* II only—(See Text with Commentary, ed. Muni Jinavijaya, published by the Bharatiya Vidya Bhavan, Bombay, 1959.). | |
| 200 | 17 | JRAS (Journal of the Royal Asiatic Society of Great Britain and Ireland) | JRAS |
| 200 | 26 | enjoys | enjoins |
| 201 | 14 | omit 16 | |
| 201 | 17 | Festschrift | Fetschrift |
| 201 | 22 | Add note 16 as follows: mahā-kshaya-vyaya-niveśāt-tu bhūmim-avāptukāmaḥ pūrvam-eva kretāraṁ paṇeta (KT. VII. 11). | |
| 203 | 4 | Insert 22* and add the following: cf. sambhūya samutthānām (KT. IV. 2). | |

| Page | Line | Read | for |
|---|---|---|---|
| 206 | 7 | Strike out: see | |
| 206 | 7 | Part | Vol |
| 208 | 4 | Insert: IV. 1. under reference column against extract 34 | |
| 209 | | Add the following to Note 3: Cf. the Chānakya-tīkā's reading of the text: Chaturdand - ottarāh rathyā-rājamārga - dronamukha - sthānīya-rāshtra-vivītapathāh. It explains *chaturdand-ottarāh* as meaning chaturbhiś chaturbhir -adhika.° Thus, according to this commentary, a *rathyā* is 4 dandas, while each succeeding type of road is 4 dandas more than the one preceeding it in the order of enumeration. In other words a rathyā is 4 dandas, the royal road 8 dandas, the drona-mukha road 12 dandas, etc., the largest being the vivīta-patha which is 24 dandas. See G. Harihara Sastri: Arthaśastra-vyākhyā—*Chānakya-tīkā*. Introduction, Journal of Oriental Research, Madras, Vol. XXXIII, Parts I-IV, pp. xxxiii-iv, 1968). | |
| 213 | 1 | anika- | anika- |
| 215 | 29 | III. 9 | II. 9 |
| 215 | 31 | vītam avyāhatam | vitam-J |
| 216 | 9 | Dayādā | Dayadā |

| Page | Line | Read | for |
|---|---|---|---|
| 219 | 32 | bhū | bbū |
| 221 | 23 | Add the following to note 41: L. Sternbach holds that the passage refers to the use of *strīdhana* by 'a couple that had brought forth twins'. Op. cit., p. 389. | |
| 222 | 19 | assistants | assitants |
| 225 | 13 | viparītaḥ | viparitaḥ |
| 225 | 26 | hi | ḥī |